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COMPREHENSIVE ALCOHOL ABUSE, DRUG ABUSE, AND MENTAL HEALTH AMENDMENTS OF 1988

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Mr. KENNEDY, from the Committee on Labor and Human Resources, submitted the following

REPORT

together with

ADDITIONAL VIEWS

[To accompany S. 1943]

The Committee on Labor and Human Resources, to which was referred the bill (S. 1943) having considered the same, reports favorably thereon with an amendment in the nature of a substitute and recommends that the bill as amended by the substitute do pass.

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I. SUMMARY OF THE BILL

As reported by the Committee, S. 1943 amends and extends the authority under title XIX, part B of the Public Health Service (PHS) Act for the Alcohol, Drug Abuse, and Mental Health Services (ADMS) Block Grant. It also amends title V of the Act concerning programs and authorities of the National Institute of Mental Health (NIMH), the National Institute on Alcohol Abuse and Alcoholism (NIAAA), and the National Institute on Drug Abuse (NIDA).

TITLE I—ALCOHOL AND DRUG ABUSE AND MENTAL HEALTH SERVICES BLOCK GRANTS

S. 1943 amends and extends the authority for the ADMS block grant for 4 years, through fiscal year 1991. The bill revises the formula for determination and distribution of allotments under the block to States and territories, using a two-stage approach. The first $335 million of a year's appropriation will be allocated to States based on each State's FY 1984 proportionate allocation under the block. The remainder of each year's appropriation will be allocated under a formula based on State need and State fiscal capacity.

S. 1943 amends existing provisions on State use of the mental health portion of the block grant allotment to require emphasis on the initiation and provision of new mental health services. The bill requires States, in order to receive allotment payments, to agree to facilitate coordination among mental health services to establish a State comprehensive community mental health system. It also requires each State's chief executive officer to establish a State mental health service planning council and requires the Secretary, through the Director of NIMH, to report annually to the House Committee on Energy and Commerce and the Senate Committee on Labor and Human Resources regarding the new State mental health services.

S. 1943 amends title V of the PHS Act to require the Directors of NIMH, NIAAA, and NIDA, in cooperation with State alcohol, drug abuse, and mental health agencies and national organizations, to collect data on mental health and on alcohol and drug abuse treatment and to require that the Secretary report to congressional committees every 2 years on the mental health and alcohol and drug abuse services data collected.

S. 1943 directs the Secretary, through the Director of NIMH, to develop and periodically revise a model plan for a community-based system of care for seriously mentally ill individuals.

S. 1943 amends title XIX to authorize a new Acquired Immune Deficiency Syndrome (AIS) block grant, with appropriations for FY 1988 through FY 1991. The block grant will support grants for projects and programs to reduce the transmission of AIDS in and by users of illegal intravenous drugs. Funds will be allotted to States based on each State's proportionate share of the number of intravenous drug use related cases of AIDS as reported by the Centers for Disease Control (CDC), with no State receiving less than $150,000. Payments to States under the AIDS block will be used to establish program of treatment for intravenous drug users, outreach services to such users, efforts to prevent transmission among such users, and necessary training and organizational efforts.

S. 1943 authorizes appropriations for FY 1988 for the special alcohol abuse and drug abuse treatment and rehabilitation grants to the States authorized under section 1921 of the Act by the Anti-Drug Abuse Act of 1986.

TITLE II—NATIONAL INSTITUTES OF ALCOHOL, DRUG ABUSE, AND MENTAL HEALTH

S. 1943 amends title V to add the Office of Substance Abuse Prevention (OSAP) to the list of agencies of the Alcohol, Drug Abuse, and Mental Health Administration (ADAMHA). The bill then changes the name of ADAMHA to the National Institutes of Mental Health, Drugs, and Alcohol.

S. 1943 amends title V to authorize a new program of mental health demonstration projects. Under this authority, the Secretary, through the Director of NIMH, may make grants to States, political subdivisions, and private nonprofit entities for:

(1) mental health services demonstration projects (including self-help services), for the planning, coordination, and improvement of community services for seriously mentally ill individuals, seriously emotionally disturbed children and adolescents, elderly individuals (with special emphasis on areas with high concentrations of the elderly), residents of rural areas, and homeless chronically mentally ill individuals;

(2) demonstration projects for prevention services;

(3) demonstration projects for prevention of youth suicide;

(4) demonstration projects for improvement of the recognition, assessment, treatment, and clinical management of depressive disorders;

(5) demonstration projects for improvement of post-legal adoption mental health and counseling; and

(6) demonstration projects for treatment and prevention relating to sex offenses.

Grants may be made under this authority for not more than 5 consecutive 1-year periods, except that a waiver of this requirement may be made if the Secretary determines that extenuating circumstances exist. The bill authorizes appropriations for FY 1988 through FY 1990, with a provision that at least 18 percent of the appropriation in FY 1989 and FY 1990 shall be used for demonstration projects for homeless individuals. It also includes authorizations for specific demonstrations under each year's appropriation for residents of rural areas, for services for elderly individuals, for prevention services, for suicide prevention projects, for depressive disorder projects, and for post-legal adoption projects.

S. 1943 extends the authority for community mental health services for the homeless authorized in title B by the Stewart B. McKinney Homeless Assistance Act.

S. 1943 directs the Secretary, through the Director of NIMH, to develop and maintain an ongoing program of service research of community mental health program and services, to be carried out through grants, contracts, or cooperative agreements.

S. 1943 authorizes appropriations through FY 1991 for programs of OSAP and for prevention, treatment, and rehabilitation model projects for youth at high risk for drug abuse and alcohol abuse authorized in section 509A of the Act by the 1986 Anti-Drug Abuse Act. The bill also directs the Director of NIAAA to establish and implement a public information program to educate the public on, and reduce the incidence of, fetal alcohol syndrome.

S. 1943 authorizes appropriations through FY 1991 for research and for demonstration projects related to alcohol abuse and alcoholism, including alcohol and drug treatment services for homeless individuals. The bill also authorizes appropriations through FY 1991 for drug abuse research and for drug abuse demonstration projects. It directs the Secretary, through the Directors of NIAAA and NIDA, to develop an ongoing program of research and evaluation of alcohol and drug abuse treatment programs with regard to the effectiveness of different methods. Research and evaluation will be carried out through grants, contracts, or cooperative agreements.

S. 1943 authorizes appropriations for FY 1988 through FY 1991 for technical assistance related to alcohol abuse and alcoholism, drug abuse, and mental health services.

TITLE III—INSTITUTE OF MEDICINE

S. 1943 directs the Secretary to contract with the Institute of Medicine of the National Academy of Sciences to conduct a study concerning the effective and appropriate treatment, rehabilitation, and continuing care of persons suffering from severe and disabling mental illnesses, with an appropriation for FY 1989 to carry out the study. Not less than 18 months after signing the contract, the Secretary shall report to the House Committee on Energy and Commerce and the Senate Committee on Labor and Human Resources on the results of the study.

TITLE IV—MISCELLANEOUS

S. 1943 requires the Directors of NIAAA and NIDA to each designate in their respective Institutes an Associate Director for Special Populations, to assure increased emphasis on the alcohol abuse and alcoholism and drug abuse needs of such special populations as women and minorities.

II. Background and Need for Legislation

The Omnibus Budget Reconciliation Act of 1981, P.L. 97-35, among other things, established four health block grants, one of which was an ADMS Block Grant. This block grant, authorized under title XIX of the PHS Act, consolidated categorical programs from separate authorities: the Community Mental Health Centers (CMHC) Act of 1963 as amended; the Mental Health Systems Act of 1980; the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970 as amended; and the Drug Abuse Prevention, Treatment, and Rehabilitation Act of 1970 as amended.

P.L. 97-35 authorized appropriations for FY 1982 through FY 1984 for grants to States to be used for:

(1) prevention, treatment, and rehabilitation programs and activities to deal with alcohol and drug abuse; and

(2) grants to CMHC's for the provision of mental health services, including services for the chronically mentally ill, severely mentally disturbed children and adolescents, mentally ill elderly individuals, and other underserved populations.

The ADMS Block and other health block grants were established in 1981 to provide State and local governments greater flexibility and decision-making authority in focusing Federal, State, and local resources on alcohol, drug abuse and mental health needs. Block grants were also intended to allow States to better integrate and coordinate services funded by several levels of government.

The ADMS block grant authority was amended and extended through FY 1987 in 1984 by P.L. 98-509, and further amended in 1985 by P.L. 99-117. The Anti-Drug Abuse Act of 1986, P.L. 99-570, authorized additional appropriations for the block for FY 1987, and, in addition, established new authorities for FY 1987 for alcohol and drug abuse treatment and prevention activities.

As originally authorized, block grant funds were allocated to the States by means of a formula based on their allocations for certain years under the previous categorical programs. Under this allocation formula, each State's proportion of block grant funds would equal, for alcohol and drug abuse services and mental health services, the proportion of funds received by the State in FY 1980 of total funds allocated for the alcohol and drug abuse programs and in FY 1981 (prior to an FY 1981 rescission) for the mental health programs that were consolidated into the block. The conference report for the 1981 legislation stated that the conferees anticipated that this two-part formula would result in national allocations for mental health and substance abuse programs which were approximately equal to each other.

The 1984 amendments to the block grants, P.L. 98-509, revised the allocation formula for funds appropriated above $490 million to reflect the relative populations and per capita incomes of each State. Conferees on this bill expressed the belief that population and per capita income were "a more reliable and equitable means" of allocating block grant funds than the original formula. However, the failure of appropriations to rise significantly beyond the $490 million figure has meant that grave inequities continue to exist in the relative allocation of funds between states.

The law establishes a method for States to distribute block grant allotments between mental health and substance abuse services. Under the original 1981 enactment, all of a State's allotment from the block grant in FY 1982 had to be spent to support mental health services and substance abuse services in the same proportion that Federal funds were awarded to support such services in the State in the relevant base years—the years the allocation formula was based on. In FY 1983, 95 percent of the State's allotment, and in FY 1984, 85 percent of the State's allotment, had to be obligated in this manner.

The 1984 amendments made permanent a percentage of 75 percent that States have to allocate in this manner; States may exercise discretion over the remaining 25 percent.

States are required to distribute their allotments for drug abuse and alcoholism services in a certain way: of funds received by a State for substance abuse services, at least 35 percent must be used for alcoholism and alcohol abuse services and at least 35 percent for drug abuse services. In addition, of funds allotted to a State for substance abuse services, at least 20 percent must be used for prevention and early intervention programs.

The 1984 amendments established, and the 1985 amendments modified, two new set-aside provisions requiring States to allocate specific portions of their block grant allotments for certain program activities. These provisions require that States set aside funds for new or expanded alcohol and drug abuse services for women, and new (and expanded in FY 1986 and 1987) comprehensive community mental health services for underserved areas or populations, with special emphasis on services for severely disturbed children and adolescents.

The ADMS block grant is administered by the ADAMHA of the Department of Health and Human Services. ADAMHA performs certain policy oversight and coordination activities related to the block. In addition, it is responsible for assessing State compliance with legislative provisions for the block by reviewing State applications, annual reports and audits, conducting compliacne reviews and investigations, and processing complaints.

In the years since the block grant was enacted, a total of nearly $3.5 billion has been appropriated for its activities—$428 million in FY 1982, $468 million in FY 1983, $462 million in FY 1984, $490 million in FY 1985, $469 million in FY 1986, $509 million in FY 1987, and $487 million in FY 1988.

During 1986, substance abuse, particularly drug abuse, became an important domestic issue, leading to congressional action on legislation to support a broad-based attack on the problem. Among the factors contributing to heightened concern and action on drug abuse in 1986 were reports of an apparent epidemic in the abuse of cocaine and the deaths of two young athletes from cocaine overdoses. For a few years prior to 1986, a heightened interest in drug abuse had come with reports of increasing popularity of cocaine. At about the same time, reports started appearing in newspapers and other media about the recent emergence and growing availability of a new and frightening drug product known as "crack," a cocaine derivative. "Crack" is a form of cocaine in crystal form that is smoked rather than snorted, and is apparently faster-acting, more highly potent, and more rapidly addicting than cocaine in powder form.

In June of 1986 a prominent Washington-area college basketball star died after an overdose of cocaine. Just over a week later a professional football player from Cleveland, Ohio, died of a similar cocaine overdose. The combination of the deaths of two young athletes and the reports of a frightening new drug product combined to bring a new urgency to attempts to deal with substance abuse.

During the closing months of the 1986 session, the 99th Congress enacted a 15-title, 480-page drug control bill. The measure was the product, on the House side, of 12 standing committees. The final version incorporated an Administration proposal as well as a number of Senate bills developed by Members on both sides of the aisle. The final bill, enacted into law as P.L. 99–570, the Anti-Drug Abuse Act of 1987, included provisions in the areas of law enforcement, sanctions against foreign drug-source countries, increased criminal penalties, new enforcement authorities for the Customs Service, new substance abuse education authorities, and expansion and increases in authorities and funding of treatment and prevention programs.

The Anti-Drug Abuse Act of 1986, P.L. 99–570, authorized, and the continuing appropriations act for FY 1987, P.L. 99–570, appropriated funds for, several new program activities in ADAMHA related to substance abuse treatment and prevention. The 1986 act authorized a new program of grants to States to enhance ongoing treatment and rehabilitation programs. Appropriations for this authority are allocated to States on the basis of population (45 percent) and on the basis of need, as determined by the Secretary (55 percent). The Act also authorized the creation of an OSAP within ADAMHA to carry out substance abuse prevention activities, including a program of demonstration project grants for substance prevention, treatment, and rehabilitation among high-risk youth. The appropriation authorizations in P.L. 99–570 were for 1 year.

Despite all of the action taken by Federal, State, and local governments and by the private sector during the past few years in the fight to reduce the toll taken by the abuse of drugs, it is clear that the nation has not conquered this deadly epidemic. Newspapers report almost daily on the proliferation of drug-related murders in many of our nation's cities. Although there have been modest declines in the percentages of Americans using drugs, the level of use remains shamefully high. Cocaine, the most serious problem drug of this decade, is still a matter of great concern. According to the Drug Enforcement Administration, average street-level purity of cocaine more than doubled in recent years, while prices for the drug declined, indicating increased availability. Reported cocaine-related deaths in hospital emergency rooms have increased significantly. According to NIDA, the number of cocaine-related emergencies reported by hospitals rose 167 percent between 1983 and 1986, and the number of cocaine-related deaths reported by medical examiners rose 124 percent. According to NIDA, the trend of increasing cocaine-related hospital emergencies and deaths continued through the first 6 months of 1987. The survey of high school seniors supported by NIDA found a decrease in reported cocaine use in 1987. The use of "crack" cocaine, however, may not be following this downward trend, according to the sketchy data available. In 1987, according to NIDA, 5.6 percent of high school seniors reported ever having used "crack" while only 4 percent had reported using it during the previous year's survey. This survey may underrepresent "crack" use among people in this age group, because, as NIDA points out, dropouts are much more likely to use drugs such as "crack" than are those who stay in school.

There are widespread reports that increasingly younger children are both using and selling drugs. In spite of the additional funds that have been made available for the treatment and rehabilitation of drug abusers in recent years, waiting lists for drug treatment in many areas of the country remain long.

An issue that is directly related to drug abuse is the growing concern about the incidence and spread of Acquired Immune Deficiency Syndrome or AIDS in the United States and around the world. AIDS is a virus-caused condition which compromises the natural disease-resisting systems of its victims, rendering them extremely susceptible to infections. At present, the disease has proven fatal to most of its victims within 2 years of clinical manifestation. Over 54,000 cases of AIDS, and over 30,000 deaths, have been reported in the U.S. alone. While homosexual men account for 64 percent of current AIDS victims in the U.S., the rising numbers among intravenous (IV) drug users are of increasing concern. In addition to accounting for 18 percent of U.S. AIDS victims, IV drug users also transmit the disease to their sex partners and the children they bear. According to the Centers for Disease Control, IV drug use-acquired infection has been the source of most U.S. AIDS cases contracted through heterosexual contact and the direct and indirect source for the great majority of pediatric AIDS cases. The problem of AIDS infection among IV drug users is more severe in some regions of the country than in others, especially the Northeast. Areas that currently have a lower prevalence of the disease have the potential for substantial increases in infections among persons who share needles or equipment. The IV drug user population has been an extremely difficult population to reach with information and assistance on the dangers of addiction as related to AIDS.

Mental health

An estimated 1.7 to 2.4 million persons in this country suffer from some persistent, severe form of mental illness. Approximately 900,000 of these chronically mentally ill persons reside in institutional settings—130,000 in State mental hospitals and 770,000 in nursing homes. Between 800,000 (severely disabled) and 1.5 million (moderately to severely disabled) mentally ill individuals are estimated to be living in the community. These are persons with varied needs. Like the rest of the population, mentally disabled persons need food, clothing, housing, medical and dental care, transportation, education, recreation, and money. Their capacity to work in regular employment is often impaired. They generally encounter difficulties with basic activities of everday living, and often experience the effects of the ignorance and fear that mentally ill persons have faced throughout history.

A majority of the chronically mentally ill persons in the community live with their families. The proportion of severely ill patients who remain with or are discharged from institutional care to their families, however, is declining. This is a trend with serious implications for the needs of the chronically mentally ill for treatment and personal support. A substantial number of chronically mentally ill persons who do not live with family live in a variety of other settings, including residential treatment centers, group homes, sheltered apartments, and independently. An additional sizable number cycle between hospitals, homelessness, and jails due to inadequacies in State and local systems of service.

The Congress and the Federal Government have been active for more than 2 decades in working to develop and support programs to assist in the treatment and rehabilitation of mentally ill persons. The CMHC Act of 1963, P.L. 88-164, provided for the allotment of Federal funds to States for construction of community-based mental health centers. In succeeding years, the original CMHC legislation was amended to expand and extend the scope of the program, including support for staffing, providing a clear definition of CMHC and prescribing the comprehensive mental health services that such a center had to provide in order to be eligible for funding.

The final legislation to amend the CMHC program, before it was consolidated into the ADMS block grant in 1981 was the Mental Health Systems Act, P.L. 96-398. This legislation, enacted in part as a response to the 1978 report of the President's Commission on Mental Health, extended and amended the CMHC program, providing a larger role for the States in the administration of the program.

Under the block grant enacted in 1981, the provisions related to mental health services provided that States may use their funding for grants to CMHC for: services to chronically mentally ill individuals; identification and assessments of mentally ill individuals and the provision of appropriate services to these individuals; and services for identifiable populations which were currently underserved in the State.

In 1986, this committee took an initial step toward dealing with the lack of an effective system to plan, develop, and initiate services for the mentally ill, especially those who have a chronic disabling mental illness. Far too frequently, people with long-term mental illness "fall through the cracks" of the mental health and social service systems and become unnecessarily re-hospitalized, placed in the criminal justice system for minor infractions, or become homeless. In addition, the committee heard testimony that other segments of the population, such as seriously disturbed children and the elderly, also suffer because of a lack of coordination, collaboration, and statewide planning for services for the mentally ill.

As a result of what it learned about these problems, this committee developed legislation, S. 1744, to authorize the development of State Comprehensive Mental Health Service Plans with special attention to those with chronic mental illness and in jeopardy of becoming homeless. As enacted into law as part of P.L. 99-660, this legislation authorized grants to States for the development of such plans. Each plan would have to provide for the establishment and implementation of an organized community-based system of care for chronically mentally ill individuals. It had to contain quantitative targets to be achieved, including numbers of chronically mentally ill individuals residing in the area to be served. The plan had to describe services to be provided, including rehabilitation services, employment services, housing services, medical and dental care and other support services in order to enable chronically mentally ill individuals to function outside of inpatient institutions to the maximum extent of their capabilities. The plan had to provide for activities to reduce the rate of hospitalization of chronically mentally ill individuals and to require the provision of case management services in their treatment. The law provided for the reduction of a State's ADMS block grant allotment if it did not develop the required State plan by the end of FY 1989. The law also provided for the development by the Secretary of a model plan for a community-based system of care for chronically mentally ill individuals.

While there has been insufficient time since the enactment of P.L. 99-660 to measure its effects, it is clear that certain aspects of the mental health component of the ADMS block grant need revision. The current law requires that all mental health funds under the ADM block grant be expended through Community Mental Health Centers. While CMHC's will often be the most appropriate agencies for providing mental health services under Title XIX, the existing requirement is too rigid to permit states to respond more appropriately to the requirements placed on them by P.L. 99-660 or to other high priority mental health needs as perceived by the state.

In addition, because the current legislation largely froze the distribution of mental health funds that prevailed in 1981, Federal funds have not been used as extensively as necessary to address mental health needs in unserved and underserved populations. The original mental health project grants were designed to be time-limited, so that Federal funds would be shifted to creating new mental health centers or meeting new needs once centers receiving Federal project grants were sufficiently established. This reallocation of funds has largely ceased since the creation of the block grant.

III. History of the Legislation

S. 1943, a bill to reauthorize and amend the Public Health Act to revise and extend the authority of the Administrator of the Alcohol, Drug Abuse, and Mental Health Administration, including revision and extension of the program of block grants for the provision of services with respect to mental health and alcohol and drug abuse, was introduced by Senator Kennedy, Mr. Inouye, Mr. Bradley, Mr. Stafford, Mr. Lautenberg, Mr. Harkin, Mr. Dodd and Mr. Matsunaga on December 11, 1987, and was referred to the Senate Committee on Labor and Human Resources. The bill was ordered to be reported favorably, with an amendment in the nature of a substitute, on March 3, 1988.

IV. Text of the Bill as Reported

[S. 1943, 100th Cong., 2d Sess.]

A BILL To amend the Public Health Service Act to revise and extend the authority of the Administrator of the Alcohol, Drug Abuse, and Mental Health Administration, including revising and extending the program of block grants for the provision of services with respect to mental health and alcohol and drug abuse

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

[**SECTION 1. SHORT TITLE, TABLE OF CONTENTS.**

[(a) Short Title.—This Act may be cited as the "Comprehensive Alcohol Abuse, Drug Abuse, and Mental Health Amendments Act of 1987".

[(b) Table of Contents.—The table of contents is as follows:

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[SEC. 2. PURPOSES.

[(a) ALCOHOL AND DRUG ABUSE.—It is the purpose of this Act to—

[(1) continue the partnership that exists between the Federal Government and the States in the development, maintenance, and improvement of the national network of comprehensive, community-based alcohol and drug abuse programs;

[(2) provide financial and technical assistance to States and communities to assist in the development and maintenance of a core of prevention services that will significantly reduce the number and scope of alcohol and drug abuse problems;

[(3) assist and encourage States in the initiation and expansion of prevention and treatment services for underserved populations;

[(4) prevent the spread of acquired immune deficiency syndrome by assisting States in identifying and providing services to intravenous drug users and others at risk of contracting acquired immune deficiency syndrome; and

[(5) increase the understanding of the public concerning the extent of alcohol and other forms of drug abuse throughout the United States and the need for appropriate treatment services through—

[(A) the expansion of data collection activities; and

[(B) the support of research on the comparative cost and efficacy of existing alcohol and drug abuse and treatment services.

[(b) MENTAL HEALTH.—It is the purpose of this Act to—

[(1) encourage the development and provision of community mental health services by the States;

[(2) encourage the development of a comprehensive community mental health system within each State;

[(3) encourage the implementation of new and expanded community mental health services;

[(4) encourage States to provide community mental health services in the least restrictive appropriate environment, and to involve the families of individuals undergoing mental health treatment in the development and provision of such services;

[(5) encourage States to ensure respect for the rights and needs of recipients of mental health services and to involve such recipients in the development and provision of services, including the development of client-run services;

[(6) foster interagency coordination and integration among a broad range of human service providers, support groups, and advocates to ensure that mental health, rehabilitation, vocational, educational, health, and residential services are available to individuals who need such services;

[(7) provide Federal assistance to expand community mental health services within each State; and

[(8) increase the understanding of the public concerning the extent of mental illness throughout the United States and the need for appropriate treatment services through—

[(A) the expansion of data collection activities; and

[(B) the support of research on the comparative cost and efficacy of existing mental health services.

[SEC. 3. REFERENCES TO THE PUBLIC HEALTH SERVICE ACT.

[Except as otherwise specifically provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Public Health Service Act (42 U.S.C. 201n et seq.).

TITLE I—ALCOHOL AND DRUG ABUSE AND MENTAL HEALTH SERVICES BLOCK GRANTS

[SEC. 101. AUTHORIZATION OF APPROPRIATIONS.

[Section 1911 (42 U.S.C. 300x) is amended—

[(1) by striking out "and"; and

[(2) by inserting before the period the following: ", $550,500,000 for fiscal year 1988, $791,500,000 for fiscal year 1989, $868,000,000 for fiscal year 1990, and $952,000,000 for fiscal year 1991".

[SEC. 102. STATE COMPREHENSIVE MENTAL HEALTH SERVICE PLAN.

[(a) Administrative Expenses.—Subsection (d) of section 1920D (42 U.S.C. 300x-9D(d)) is amended to read as follows:

["(d) The amount referred to in subsections (a), (b), and (c) with respect to a State is the total amount that the State is permitted to expend for administrative expenses under section 1915(d) for fiscal year 1986 from amounts paid to the State under subpart 1 for such fiscal year. If in the judgment of the Secretary the State is making a good faith effort to comply with this subpart, the Secretary may assess the State a penalty that is less than the maximum penalty, but in no event shall the penalty be less than 2 percent of the amount the State is permitted to expend for administrative expenses.".

[(b) Report.—Not later than September 30, 1990, the Comptroller General of the General Accounting Office shall prepare and submit to the Committee on Energy and Commerce of the House of Representatives and the Committee on Labor and Human Resources of the Senate, a report that—

[(1) evaluates the status of the implementation of section 1920C of the Public Health Service Act (42 U.S.C. 300x-11) requiring State Mental Health Services Plans; and

[(2) includes an assessment of—

[(A) the number of States that have submitted such plans;

[(B) the number of States that have implemented the plans submitted by such States;

[(C) the efficacy of the plans that have been implemented in achieving effective, organized community-based systems of care for seriously mentally ill individuals; and

[(D) recommendations on additional legislation that is necessary to facilitate the achievement of the goals of this Act.

[SEC. 103. ALCOHOL AND DRUG ABUSE AND MENTAL HEALTH SERVICES BLOCK GRANTS.

[(a) Evaluation.—Section 1912 (42 U.S.C. 300x-1) is amended by adding at the end thereof the following new subsection:

["(c) The Secretary may use not to exceed 1 percent of the amounts appropriated under section 1911 in each of the fiscal years 1988 through 1991 to conduct evaluations, and prepare reports for submission to Congress, concerning the functioning and effectiveness of block grant programs conducted under this subpart.".

[(b) Allotments.—Section 1913 (42 U.S.C. 300x-1a) is amended to read as follows:

["SEC. 1913. ALLOTMENTS.

["(a) Reservations.—

["(1) Territories and possessions.—The Secretary shall reserve not to exceed 1.5 percent of the amounts appropriated under section 1911 in each of the fiscal years 1989 through 1991 for payments to Guam, American Samoa, the Virgin Islands, the Trust Territory of the Pacific Islands, the Commonwealth of Puerto Rico, and the Northern Mariana Islands, in amounts that bear the same ratio to the amount specified above as the population of the territory or possession bears to the total population of all such territories and possessions.

["(2) INDIANS.—

["(A) IN GENERAL.—If the Secretary—

["(i) receives a request from the governing body of an Indian tribe or tribal organization within any State that funds under this part be provided directly by the Secretary to such tribe or organization; and

["(ii) determines that the members of such tribe or tribal organization would be better served by means of grants made directly by the Secretary under this part;

the Secretary shall reserve from amounts which would otherwise be allotted to such State under subsection (b) for the fiscal year the amount determined under subparagraph (B).

["(B) ALLOTMENT.—The Secretary shall reserve for the purpose of subparagraph (A), from amounts that would otherwise be allotted to such State under subsection (b), an amount equal to the amount which bears the same ratio to the State's allotment for the fiscal year involved as the total amount provided or allotted for fiscal year 1987 by the Secretary to such tribe or tribal organization under—

["(i) the Community Mental Health Centers Act;

["(ii) the Mental Health Systems Act;

["(iii) section 301 of this Act;

["(iv) sections 301 and 312 of the Comprehensive Alcohol Abuse and Alcoholism, Prevention, Treatment, and Rehabilitation Act of 1970; and

["(v) sections 409 and 410 of the Drug Abuse Prevention, Treatment, and Rehabilitation Act;

bore to the total amount provided or allotted for such fiscal year by the Secretary to the States and entities (including Indian tribes and tribal organizations) in the State under such provisions of law.

["(C) RECIPIENT.—The amount reserved by the Secretary on the basis of a determination under this subsection shall be granted to the Indian tribe or tribal organization serving the individuals for whom such a determination has been made.

["(D) PLAN.—In order for an Indian tribe or tribal organization to be eligible for a grant under this paragraph, such tribe or organization shall submit to the Secretary a plan for such fiscal year that meets such criteria as the Secretary may prescribe.

["(E) DEFINITION.—As used in this subparagraph the terms 'Indian tribe' and 'tribal organization' have the same meaning given such terms in section 4(b) and section 4(c) of the Indian Self-Determination and Education Assistance Act.

["(3) INITIAL STATE ALLOTMENT.—Out of the amounts appropriated under section 1911 in each of the fiscal years 1989 through 1991, the Secretary shall reserve an amount not to exceed $335,000,000 for payments to States based on the fiscal year 1984 proportionate share of each State as determined under this section (as such section existed before the date of enactment of the Comprehensive Alcohol Abuse, Drug Abuse, and Mental Health Amendments Act of 1987).

[“(b) STATE ALLOTMENT.—

[“(1) GENERAL RULE.—From the remainder of the sums appropriated under section 1911 for each of the fiscal years 1989 through 1991, the Secretary shall allot to each State (excluding jurisdictions referred to in subsection (a)(1)) an amount equal to the product obtained by multiplying—

[“(A) the State need; by

[“(B) the State fiscal capacity.

[“(2) STATE NEED.—For purposes of this subsection, the State need of a State shall be an amount equal to the sum of—

[“(A) the amount equal to the product of .4 multiplied by the amount equal to the sum of—

[“(i) the amount equal to the product of .5 multiplied by the total population of the State residing in urbanized areas, as determined by the Secretary;

[“(ii) the amount equal to the product of .3 multiplied by the total population of the State between the ages of 18 and 24 years; and

[“(iii) the amount equal to the product of .2 multiplied by the total population of the State between the ages of 25 and 44 years;

[“(B) the amount equal to the product of .2 multiplied by the total population of the State between the ages of 25 and 64 years; and

[“(C) the amount equal to the product of .4 multiplied by amount equal to the sum of—

[“(i) the amount equal to the product of .4 multiplied by the total population of the State between the ages of 18 and 24 years; and

[“(ii) the amount equal to the product of .6 multiplied by the total population of the State between the ages of 25 and 44 years.

[“(3) STATE FISCAL CAPACITY.—

[“(A) GENERAL FORMULA.—For purposes of this subsection, the State fiscal capacity of a State shall be an amount equal to the sum of—

[“(i) one; minus

[“(ii) the percentage equal to the product of 20 percent multiplied by the amount equal to the quotient obtained by dividing—

[“(I) the total per person in need taxable resources of a State; by

[“(II) the total per person in need taxable resources for all States.

[“(B) TOTAL PER PERSON IN NEED TAXABLE RESOURCES OF A STATE.—For purposes of subparagraph (A)(ii)(I), the total per person in need taxable resources of a State shall be an amount equal to the average total taxable resources per person in need of the State, as determined by the Secretary of the Treasury based on State gross product as reported by the Bureau of Economic Analysis, for the period of the 3 most recently completed calendar years ending before the date on which an application is submitted under section 1916.

[“(C) Total per person in need taxable resources of all States.—For purposes of subparagraph (A)(ii)(II), the total per person in need taxable resources of all States shall be an amount equal to the average total taxable resources per person in need in all States, as determined by the Secretary of the Treasury based on State gross product, as reported by the Bureau of Economic Analysis, for the period of the 3 most recently completed calendar years ending before the date on which an application is submitted under section 1916.

[“(4) Minimum allotment.—

[“(A) In general.—Except as provided in subparagraph (B), no State shall receive an allotment of less than $3,800,000, or 110 percent of the combined amount the State received under this section (as such section existed before the date of enactment of the Comprehensive Alcohol Abuse, Drug Abuse, and Mental Health Amendments Act of 1987) in fiscal year 1987, and for emergency treatment purposes under section 1921(b)(1), whichever is less.

[“(B) Special rule.—In the case of each of the fiscal years 1990 and 1991, amounts paid to States under subparagraph (A) shall increase by the same percentage as the remainder of the sums appropriated under section 1911 for purposes of allotments increases as compared to such sums available for allotment in fiscal year 1989.

[“(c) Data and Information.—Except as provided in subsection (b)(3), the Secretary shall obtain from each appropriate Federal agency, the most recent data and information necessary to determine the allotments provided for in subsection (b).

[“(d) Reallotments.—

[“(1) In general.—Any portion of the allotment to a State under subsection (b) that the Secretary determines is not required to carry out a State plan approved under section 1916, in the period that the allotment is made available, shall be reallocated by the Secretary to other States in proportion to the original allotment to such States.

[“(2) Limitation.—The amount that another State is entitled to under paragraph (1) shall be reduced to the extent that such amount exceeds the sum that the Secretary estimates will be used in that other State to carry out a State plan approved under section 1916. The amount of such reduction shall be similarly reallotted among States in which the proportionate amount is not reduced.

[“(3) Amounts reallotted.—Any amount reallotted to a State under this subsection shall be deemed to be part of the original State allotment under subsection (b) for that year.”.

[(c) Use of Allotments.—

[(1) In general.—Paragraph (2) of section 1915(a) (42 U.S.C. 300x-3(a)(2)) is amended to read as follows:

[“(2) planning, developing, and providing community mental health services and related support services with—

[“(A) emphasis on the initiation and provision of new or expanded services that contribute to the development of a comprehensive community mental health system as described in section 1916(e); and

[“(B) continued support for community mental health center services funded with Federal block grants prior to 1989 to the extent consistent with section 1916(c)(15), and with the State Mental Health Planning Council priorities and the State Comprehensive Mental Health Plan.

[(2) REPEAL.—Section 1915 (42 U.S.C. 300x-3) is amended by repealing subsection (c).

[(d) APPLICATION.—Section 1916 (42 U.S.C. 300x-4) is amended to read as follows:

[“SEC. 1916. APPLICATION AND DESCRIPTION OF ACTIVITIES.

[“(a) APPLICATION.—

[“(1) IN GENERAL.—In order to receive an allotment for a fiscal year under section 1913(b) each State shall submit an application to the Secretary.

[“(2) FORM.—An application submitted under this subsection shall be in such form and submitted by such date as the Secretary shall require.

[“(3) ASSURANCES.—An application submitted under this subsection shall contain assurances that the legislature of the State has complied with subsection (b) and that the State will meet the requirements of subsection (c).

[“(b) PUBLIC HEARINGS.—After the expiration of the first fiscal year in which a State receives an allotment under section 1913(b), no funds shall be allotted to such State for any fiscal year under such section unless the legislature of the State conducts public hearings on the proposed use and distribution of funds to be provided under section 1914 for such fiscal year.

[“(c) CONTENTS OF APPLICATION.—As part of the annual application required by subsection (a), the chief executive officer of each State shall certify as follows:

[“(1) GENERAL USE OF FUNDS.—The State agrees to use the funds allotted to it under section 1913 in accordance with this part.

[“(2) COMPRHENSIVE MENTAL HEALTH SERVICES.—The State agrees, to the extent practicable, that grants made to community mental health centers and other entities in the State shall be used for the provision of comprehensive mental health services—

[“(A) principally to individuals residing in a defined geographic area (hereinafter in this section referred to as a ‘mental health service area’), with special attention to individuals who are seriously mentally ill;

[“(B) within the limits of its capacity, to any individual residing or employed in a mental health service area in the State regardless of ability to pay for such services, current or past health condition, or any other factor; and

[“(C) that are available and accessible promptly, as appropriate and in a manner that preserves human dignity and assures continuity and high quality care.

[“(3) COMMUNITY MENTAL HEALTH CENTERS.—The State agrees to require that any community mental health center in the State receiving a grant prior to fiscal year 1989 from the State under this part provide—

[“(A) outpatient services, including specialized outpatient services for children, the elderly, individuals who are seriously mentally ill, and residents of a mental health service area of the State who have been discharged from inpatient treatment at a mental health facility;

[“(B) 24-hour-a-day emergency care services;

[“(C) day treatment or other partial hospitalization services, or psychosocial rehabilitation services;

[“(D) screening for patients being considered for admission to State mental health facilities to determine the appropriateness of such admission; and

[“(E) consultation and education services.

[“(4) EVALUATION CRITERIA.—The State agrees to establish reasonable—

[“(A) criteria to evaluate the effective performance of entities that receive funds from the State under this part; and

[“(B) procedures for procedural and substantive independent State review of the failure by the State to provide funds for any such entity.

[“(5) SPECIFIC USE OF FUNDS.—

[“(A) IN GENERAL.—The State agrees to use the funds allotted to the State under section 1913 to carry out the mental health and alcohol drug abuse activities prescribed by section 1915(a) in accordance with this paragraph. The relative amounts provided for mental health activities and drug and alcohol abuse activities shall not exceed an amount that bears the same relationship to the funds allotted to the State for such fiscal year as the funds that would have been received by the State and entities in the State in fiscal year 1987 for mental health activities and drug and alcohol activities (including amounts received from funds allocated under section 1913 and section 1921(b)(1) as such section existed before the enactment of the Comprehensive Alcohol Abuse, Drug Abuse, and Mental Health Amendments Act of 1987.

[“(B) PERCENT OF FUNDS.—The State may transfer not more than 10 percent of the amounts distributed under subparagraph (A)—

[“(i) for mental health activities to amounts used for alcohol and drug abuse activities; and

[“(ii) for alcohol and drug abuse activities to amounts used for mental health activities.

[“(6) ALCOHOL AND DRUG ABUSE USES.—In any fiscal year, the State agrees to use funds for the alcohol and drug abuse activities prescribed by section 1915(a) as follows:

[“(A) Not less than 35 percent of the amount to be made available for such activities relating to alcoholism and alcohol abuse.

[“(B) Not less than 35 percent of the amount to be made available for such activities shall be used for programs and activities relating to drug abuse.

[“(7) FEDERAL INVESTIGATIONS.—The State agrees to permit and cooperate with Federal investigations undertaken in accordance with section 1918.

[“(8) IDENTIFICATION OF NEEDS.—The State has identified those populations, areas, and localities in the State with a need for mental health, alcohol abuse and alcoholism, and drug abuse services.

[“(9) FEDERAL FUNDS.—The Federal funds made available under section 1914 for any periods will be so used as to supplement and increase the level of State, local, and other non-Federal funds that would in the absence of such Federal funds be made available for the programs and activities for which funds are provided under that section and will in no event supplant such State, local, and other non-Federal funds.

[“(10) DISCLOSURE.—The State has in effect a system to protect from inappropriate disclosure patient records maintained by the State in connection with an activity funded under this part or by any entity that is receiving payments from the allotment of State under this part.

[“(11) JOB LOCATION.—The State shall develop and implement arrangements, that are not excessively burdensome on the State, to locate jobs for employees affected adversely by actions taken by the State mental health authority to emphasize outpatient mental health services.

[“(12) WOMEN.—Of the amount allotted to a State in any fiscal year under this part, the State shall use not less than 5 percent of such amount to provide alcohol and drug abuse services designed specifically for women. Services implemented under paragraph (14) (as such paragraph existed before the effective date of section 103 of the Comprehensive Alcohol Abuse, Drug Abuse, and Mental Health Amendments of 1987) may be continued under this paragraph.

[“(13) CHILDREN.—Of the amounts allotted in any fiscal year for mental health services, the State agrees to use not less than 10 percent of such amount to provide services and programs for seriously emotionally disturbed children and adolescents. The State shall use not less than 50 percent of the amounts set aside in the preceding sentence by the end of fiscal year 1990 to provide new or expanded services and programs that were not available prior to October 1, 1988, which shall apply to the requirement in paragraph (14).

[“(14) NEW MENTAL HEALTH SERVICES AND PROGRAMS.—Of the amounts allotted to a State for mental health activities under this part for fiscal year 1991, the State agrees to use, not less than 55 percent of such amount, to develop and provide community mental health services and programs, not available on October 1, 1988, and shall, with respect to each such service provided pursuant to this paragraph, provide funds for each service only for a limited period of time (as determined by the State).

[“(d) DESCRIPTION OF INTENDED USE.—

[“(1) IN GENERAL.—The chief executive officer of a State shall, as part of the application required by subsection (a), also prepare and furnish the Secretary (on such form as the Secretary shall provide) with a description of the intended use of the payments the State will receive under section 1914 for the fiscal year for which the application is submitted, including information on the programs and activities to be supported and services to be provided.

[“(2) PUBLICATION.—The description shall be made public within the State in such manner as to facilitate comment from any person (including any Federal or other public agency) during development of the description and after its transmittal.

[“(3) REVISION.—The description shall be revised (consistent with this section) throughout the year as may be necessary to reflect substantial changes in the programs and activities assisted by the State under this part. Any revision shall be subject to the requirement of publication.

[“(e) RECEIPT OF PAYMENTS.—To receive payments under section 1914, a State shall agree that the State, in carrying out the purposes of this part, will facilitate coordination among institutions offering mental health services in the State to establish a State comprehensive community mental health system that—

[“(1) provides for the development of a continuum of community mental health services within identified geographic areas;

[“(2) ensures that mental health services offered by the system are accessible to individuals of all ages in the State who need the services provided by the system;

[“(3) provides mental health services according to the particular needs of the individual for whom the services are sought, including developing plans of care and providing services in the context most appropriate to the age, sex, and cultural background of the individual;

[“(4) encourages individuals receiving mental health services to be independent, and encourages the families of such individuals to be supportive of the individual in the attempts of the individual to achieve the optimal level of independence;

[“(5) ensures that mental health services are provided in the least restrictive appropriate environment;

[“(6) ensures that the mental health services provided by the system meet applicable professional standards for the provision of such services; and

[“(7) emphasizes services for individuals who have serious mental illnesses and who—

[“(A) are homeless;

[“(B) have been institutionalized or at risk of institutionalization;

[“(C) are children or youth with serious emotional disturbances;

[“(D) are elderly individuals;

[“(E) are young adults with diagnoses of both mental illness and alcohol or drug abuse;

[“(F) are racial and ethnic minorities;

["(G) are women;

["(H) are people living in poverty; or

["(I) are residents of rural areas.

"The State may use funds provided under section 1914 to develop plans to implement this subsection.

["(f) State Mental Health Services Planning Council.—

["(1) Establishment.—Not later than 6 months after the date of enactment of the Comprehensive Alcohol Abuse, Drug Abuse, and Mental Health Amendments Act of 1987, or 6 months after the opening of the first State legislative session after the enactment of such Act if legislative action by the State is required to implement this subsection, the chief executive officer of a State shall establish a State mental health services planning council that shall—

["(A) serve as an advocate for seriously mentally ill individuals, seriously mentally ill children, adolescents, elderly individuals, and other individuals with a mental illness or emotional problem; and

["(B) monitor, review, and evaluate, at least once a year, the allocation and adequacy of mental health services within the State.

["(2) Composition.—The Council shall, subject to paragraph (3), be composed of residents of the State, including at least one representative of—

["(A) the principal State agencies that have jurisdiction over—

["(i) mental health, education, vocational rehabilitation, children's services, criminal justice, housing, and social services; and

["(ii) the development of the State plan submitted pursuant to title XIX of the Social Security Act (42 U.S.C. 1396 et seq.);

["(B) public and private entities concerned with the need, planning, operation, funding, and use of mental health services and related support services;

["(C) seriously mentally ill adults who are receiving (or have received) mental health services and the families of such adults or of seriously emotionally disturbed children;

["(D) minorities; and

["(E) organizations functioning as advocates for the mentally ill and for mental health services.

["(3) Restriction.—Not less than 50 percent of the members of the Council shall be individuals who are not State employees or providers of mental health services.

["(4) Plan preparation.—The Council may assist the State in the preparation of the plan required by section 1920C.

["(g) Report.—

["(1) In general.—The Secretary shall report annually to the Committee on Energy and Commerce of the House of Representatives and the Committee on Labor and Human Resources of the Senate on the new services initiated and provided in accordance with paragraphs (13) and (14) of subsection (c).

["(2) Contents.—The report shall include—

[“(A) a detailed description of such programs and services;

[“(B) an assessment of the adequacy of such programs and services in meeting the alcohol and drug abuse treatment needs of women and mental health needs of severely disturbed children and adolescents; and

[“(C) such other information, including legislative and administrative recommendations, as the Secretary considers appropriate.”.

[(d) EFFECTIVE DATE.—The amendments made by this section shall become effective on October 1, 1988.

[SEC. 104. DATA COLLECTION.

[Title V is amended by inserting after section 509C (42 U.S.C. 290aa-10) the following new section:

[“SEC. 509D. DATA COLLECTION.

[“(a) IN GENERAL.—The Directors of the National Institute of Mental Health, the National Institute on Alcohol Abuse and Alcoholism, and the National Institute on Drug Abuse in cooperation with the alcohol, drug, and mental health agencies of the State and the respective national organizations concerning such, shall collect data on—

[“(1) the number and variety of public and nonprofit private treatment programs available for mental health and alcohol and drug abuse;

[“(2) the number and demographic characteristics of individuals receiving treatment through the programs referred to in paragraph (1);

[“(3) the type of care received by the individuals referred to in paragraph (2); and

[“(4) other programs and activities as may be appropriate.

[“(b) REPORT.—The Secretary shall submit to the Committee on Energy and Commerce of the House of Representatives and the Committee on Labor and Human Resources of the Senate every 2 years, a report that describes—

[“(1) the scope of drug and alcohol and mental health services being provided by public and private nonprofit entities;

[“(2) the identification of alcohol and drug abuse and mental health service shortage areas and of gaps in such services;

[“(3) the number of alcohol and drug abuse and mental health treatment settings;

[“(4) the number and characteristics of the individuals served by the services described in paragraphs (1) and (2); and

[“(5) other information that is considered appropriate by the Secretary.”.

[SEC. 105. MODEL PLAN FOR SERIOUSLY MENTALLY ILL INDIVIDUALS.

[Section 1920E (42 U.S.C. 300x-12) is amended to read as follows:

[“SEC. 1920E. MODEL PLAN FOR SERIOUSLY MENTALLY ILL INDIVIDUALS.

[“(a) IN GENERAL.—The Secretary, acting through the Director of the National Institute of Mental Health, shall develop and make available from time to time, a model plan for a community-based system of care for seriously mentally ill individuals.

[“(b) CONSULTATION.—The plan referred to in subsection (a) shall be developed in consultation with State mental health directors, providers of mental health services, seriously mentally ill individuals, advocates for such individuals, and other interested parties.

[SEC. 106. ACQUIRED IMMUNODEFICIENCY SYNDROME BLOCK GRANTS.

[Part B of title XIX (42 U.S.C. 300x et seq.) is amended by adding at the end thereof the following new subpart:

[“Subpart 3—Acquired Immunodeficiency Syndrome Grants

[“SEC. 1920F. GRANTS.

[“(a) AUTHORITY.—To carry out this section, there are authorized to be appropriated $75,000,000 for fiscal year 1988, and such sums as are appropriate for each of the fiscal years 1989 through 1991, to make grants to public and nonprofit private entities for projects and programs that seek to reduce the transmission of the acquired immunodeficiency virus in and by users of illegal intravenous drugs.

[“(b) APPLICATIONS.—An allotment to a State shall not be made by the Secretary under subsection (a) unless the State has submitted an information and assurances section as designated in section 1920H(a), and such information and assurances section has been approved by the Secretary, acting through the Director of the National Institute on Drug Abuse in consultation with the Director of the Centers for Disease Control, in accordance with section 1920H.

[“SEC. 1920G. ALLOTMENTS.

[“(a) RESERVATIONS.—The Secretary shall reserve $100,000 of the amount appropriated under section 1920F in each fiscal year for payments to Guam, American Samoa, the Virgin Islands, the Trust Territory of the Pacific Islands, and the Northern Mariana Islands, to be allotted in accordance with their respective needs.

[“(b) STATE ALLOTMENT.—The allotment of a State under this section shall be based on the State’s proportionate share of the number of intravenous drug use related cases of AIDS as reported by the Centers for Disease Control, but in no case shall a State receive less than $150,000.

[“(c) PUERTO RICO.—Puerto Rico shall be treated as a State in the determination of allotments under subsection (b).

[“(d) DATA AND INFORMATION.—The Secretary shall obtain from each appropriate Federal agency, the most recent data and information, for the 12-month period immediately preceding the determination of the allotment, necessary to determine the allotments for fiscal year 1988, and for subsequent fiscal years, the Secretary shall obtain the most recent data and information, for the 2-year period immediately preceding the determination of the allotment.

[“SEC. 1920H. REQUIRED INFORMATION AND ASSURANCES.

[“In order to receive an allotment for a fiscal year under section 1920G, each State shall submit to the Secretary, as part of the alcohol, drug abuse, and mental health block grant application required under section 1916, an information and assurances section that shall contain—

[“(1) such information as the Directors of the National Institute on Drug Abuse and the Centers for Disease Control shall require;

[“(2) a description of the programs that will be implemented or improved with the assistance given under this subpart and the manner in which such programs will be coordinated with other public and private programs and activities;

[“(3) assurances that, in the preparation of any statement under this section, the State will consult with local governments and the public and private entities (including community-based organizations) involved in the provision of services under this subpart;

[“(4) a description of the manner in which the State will evaluate the programs and activities conducted with assistance provided under this subpart;

[“(5) assurances that the State will prepare and submit a report, as required by the Secretary, on the results of the evaluations referred to in paragraph (4);

[“(6) assurances that the State will prepare and submit reports, as required by the Secretary, containing data necessary to monitor relevant epidemiological changes; and

[“(7) assurances that assistance provided to the State under this subpart will supplement and not supplant any State or local expenditures for treatment, outreach, prevention, and educational efforts targeted for users of illegal intravenous drugs at risk of contracting acquired immunodeficiency syndrome.

[“SEC. 1920I. USE OF ALLOTMENTS.

[“Amounts paid to a State under this subpart may be used by the State according to such requirements as the Secretary, acting through the Director of the National Institute on Drug Abuse, and in consultation with the Directors of the Centers for Disease Control, to establish programs that provide—

[“(1) treatment for users of illegal intravenous drugs that have contracted, or are at risk of contracting the acquired immunodeficiency syndrome virus;

[“(2) outreach services to users of illegal intravenous drugs;

[“(3) aggressive efforts to prevent the transmission of the acquired immunodeficiency syndrome virus among users of illegal intravenous drugs; and

[“(4) the training and organizational efforts necessary to accomplish all of the above.

[“SEC. 1920J. PAYMENTS.

[“(a) IN GENERAL.—For each fiscal year, the Secretary shall make payments, as provided by section 203 of the Intergovernmental Cooperation Act of 1968 (42 U.S.C. 4213), to each State that has complied with section 1920H from the allotment under section 1920G (other than any amount reserved under section 1920G) from amounts appropriated for that fiscal year.

[“(b) UNEXPENDED AMOUNTS.—

[“(1) In general.—Any amount paid to a State for a fiscal year and remaining unobligated at the end of such year shall remain available to such State for the next fiscal year for the purposes for which the payment was made.

[“(2) Withholding of funds.—If in the judgment of the Secretary, a State is unlikely to use funds that are available to that State during a fiscal year for the purposes prescribed by the Secretary under section 1920I, the Secretary may withhold the amount otherwise available to that State in subsequent fiscal year.

[“(c) Reduction in Payments.—

[“(1) In general.—The Secretary, at the request of a State, may reduce the amount of payments under subsection (a) by—

[“(A) the fair market value of any supplies or equipment furnished the State by the Federal government for the convenience of and at the request of the State; and

[“(B) the amount of the pay, allowances, and travel expenses of any officer or employee of the Federal government when detailed to the State, and the amount of any other costs incurred in connection with the detail of such officer or employee, if such amount is expended for the convenience of and at the request of the State.

[“(2) Reduced amounts.—The amount by which any payment is reduced under paragraph (1) shall be available for payment by the Secretary of the costs incurred in furnishing the supplies or equipment or in detailing the personnel, on which the reduction of the payment is based. The amount shall be considered to be part of the payment and to have been paid to the State.

[“(d) Reallocations.—To the extent that all the funds appropriated under section 1920F for a fiscal year and available for allotment in such fiscal year are not otherwise allotted to States because—

[“(1) one or more States have not submitted a satisfactory application with an information and assurances section in accordance with section 1920H for the fiscal year;

[“(2) one or more States have notified the Secretary that they do not intend to use the full amount of their allotment; or

[“(3) some State allotments are offset or repaid under subsection (c);

such excess shall be allotted among each of the remaining States in proportion to the amount otherwise allotted to such States for the fiscal year without regard to this subsection.

[SEC. 1920K. DEFINITION.

[As used in this subpart, the term ‘illegal intravenous drug’ includes any controlled substance as defined in section 102(6) of the Controlled Substance Act (21 U.S.C. 802(6)).”.

[SEC. 107. SPECIAL ALCOHOL ABUSE AND DRUG ABUSE PROGRAMS.

[Section 1921 is amended—

[(1) in subsection (a) to read as follows:

[“(a) To carry out this section there is authorized to be appropriated $171,000,000 for fiscal year 1988.”; and

[(2) in subsection (b)—

[(A) by striking out in paragraph (1) "for a fiscal year" and inserting in lieu thereof "for fiscal year 1988"; and

[(B) by amending paragraph (4) to read as follows:

["(4) The Secretary shall make allotments to States under paragraphs (2) and (3) for fiscal year 1988, and shall make payments to States under subsection (c) from such allotments, at the same time that the Secretary makes allotments and payments under sections 1913 and 1914, respectively, for such fiscal year.".

[SEC. 108. CONFORMING AMENDMENTS.

[(a) Section 1917(a)(1) (42 U.S.C. 300x-5(a)(1)) is amended by striking out "(14) and (15)" and inserting in lieu thereof "(13) and (14)".

[(b) Part B of title XIX (42 U.S.C. 300x et seq.) is amended by striking out "chronically mentally ill" each place it appears and inserting in lieu thereof "seriously mentally ill" in each such place.

[(c) Section 1922 is repealed.

[TITLE II—NATIONAL INSTITUTES OF MENTAL HEALTH, ON ALCOHOL ABUSE AND ALCOHOLISM, AND ON DRUG ABUSE

[SEC. 201. ALCOHOL, DRUG ABUSE, AND MENTAL HEALTH ADMINISTRATION.

[Section 501 (42 U.S.C. 290aa) is amended—

[(1) in subsection (b), by adding at the end thereof the following new paragraph:

["(4) The Office of Substance Abuse Prevention.";

[(2) in the first sentence of subsection (e)(2)—

[(A) by striking out "The" and inserting in lieu thereof "Not less than once every 3 years, the"; and

[(B) by striking out "annually";

[(3) in subsection (f), by striking out "fraud" each place it appears and inserting in lieu thereof "misconduct"; and

[(4) by adding at the end thereof the following new subsections:

["(l) The Administrator may accept voluntary and uncompensated services.

["(m) The Administrator may conduct and support research training—

["(1) for which fellowship support is not provided under section 487; and

["(2) that is not residency training of physicians or other health professionals.".

[SEC. 202. NATIONAL INSTITUTE OF MENTAL HEALTH.

[(a) Mental Health Demonstration Project Grants.—Part A of title V is amended by inserting after section 504 (42 U.S.C. 290aa-3) the following new section:

[SEC. 504A. MENTAL HEALTH SERVICE GRANTS AND DEMONSTRATION PROJECTS.

["(a) Demonstration Projects for Seriously Mentally Ill Individuals and Seriously Emotionally Disturbed Children.—

[“(1) IN GENERAL.—The Secretary, acting through the Director, may make grants to States, political subdivisions of States, and private nonprofit entities for mental health services demonstration projects, (including self-help services), for the planning, coordination, and improvement of community services for seriously mentally ill individuals, seriously emotionally disturbed children and adolescents, elderly individuals, and homeless chronically mentally ill individuals, and for the conduct of research concerning such services.

[“(2) GRANTS.—The Secretary may make a grant under paragraph (1) for not more than 5 consecutive 1-year periods, except that the Secretary may waive the limitation of this paragraph with respect to a particular grant if the Secretary determines that extenuating circumstances exist that merit such waiver.

[“(3) ADMINISTRATIVE EXPENSES.—Not more than 25 percent of the total amount of a grant made to a State under this subsection for a project for services for seriously mentally ill individuals, seriously emotionally disturbed children and adolescents, elderly individuals, and homeless chronically mentally ill individuals in any fiscal year may be used by the State for administrative expenses in carrying out such grant in such fiscal year.

[“(b) PREVENTION SERVICES PROJECTS.—

[“(1) AUTHORITY.—The Secretary, acting through the Director, may make grants to States, political subdivisions of States, and private nonprofit agencies for prevention services demonstration projects to provide prevention services to individuals who, as determined by the Secretary, are at risk of developing mental illness.

[“(2) ELIGIBLE PROJECTS.—Projects that receive grants under this paragraph may include projects that provide—

[“(A) prevention services for populations with a greater risk of developing mental illnesses, including displaced workers, young children, adolescents, adopted children, and abused children;

[“(B) for development and dissemination of educational materials;

[“(C) local, regional, or national workshops or conferences;

[“(D) training programs concerning the provision of mental health services to individuals at risk of developing mental illnesses;

[“(E) technical assistance to the providers of preventative mental health services;

[“(F) coordination among preventative mental health service providers to enable such providers to offer effective intervention services to individuals at risk of developing mental illnesses and to the families of such individuals; and

[“(G) evaluation research on projects funded under this paragraph.

[“(c) RURAL RESIDENT PROJECTS.—The Secretary, acting through the Director, may make grants to States, political subdivisions of

States, and private nonprofit agencies for the planning, coordination, and improvement of community mental health services for rural residents and for the conduct of research concerning such services for rural residents.

[“(d) SUICIDE PREVENTION PROJECTS.—

[“(1) AUTHORITY.—The Secretary, acting through the Director, may make grants to States, political subdivisions of States, and private nonprofit agencies for the provision of suicide prevention services.

[“(2) ELIGIBLE PROJECTS.—Projects that receive grants under this paragraph may include projects—

[“(A) for the effective planning and coordination among community service systems for the provision of suicide prevention services for youth at risk of attempting suicide; and

[“(B) that develop programs to determine the most effective methods of preventing youth suicide, based on current research findings.

[“(3) PRIORITY.—In making grants to eligible projects under paragraph (2)(A), the Secretary shall give priority to applicants that provide assurances of cooperative planning by the relevant public agencies and private entities that are in contact with the youth in the community.

[“(e) DEPRESSIVE DISORDER PROJECTS.—

[“(1) AUTHORITY.—The Secretary, acting through the Director, may make grants to States, political subdivisions of States, and private nonprofit agencies to improve the recognition, assessment, treatment, and clinical management of depressive disorders through educational activities that focus on the general public, primary care providers, and mental health providers.

[“(2) ELIGIBLE PROJECTS.—Projects that receive grants under this paragraph may include projects that—

[“(A) develop educational materials and programs for physicians and other health and mental health professionals that focus on the recognition, assessment, and treatment of depressive disorders;

[“(B) design and implement public education strategies, including conferences or community partnerships of public and private community organizations, businesses, professional associations, and others to organize targeted educational efforts;

[“(C) design and implement worksite programs that increase the public's awareness of the prevalence of depressive disorders and the effect such disorders have on productivity and the cost of industry; and

[“(D) design and implement national telephone information services.

[“(3) REPORT.—Not later than 1 year after the the date of enactment of the Comprehensive Alcohol Abuse, Drug Abuse, and Mental Health Amendments Act of 1987, the Secretary shall submit to the Committee on Energy and Commerce of the House of Representatives and the Committee on Labor and

Human Resources of the Senate a report that details the financial impact of depressive disorders on society.

[“(f) POST-LEGAL ADOPTION SERVICES PROJECTS.—The Secretary, acting through the Director, may make grants to States, political subdivisions of States, and private nonprofit agencies, including mental health agencies, licensed child welfare and adoption agencies, and adoptive parents groups, for the provision of staff training to improve post-legal adoption services and for the conduct of research regarding the most effective models for providing and financing post-legal adoption services.

[“(g) ELDERLY MENTAL HEALTH PROJECTS.—

[“(1) AUTHORITY.—The Secretary, acting through the Director, may make grants to States, political subdivisions of States, and private nonprofit entities for demonstration projects to provide mental health services to elderly individuals.

[“(2) ELIGIBLE PROJECTS.—Projects that receive grants under this subsection may include projects—

[“(A) that provide training to physicians and other health and mental health professionals in the recognition and treatment of mental disorders among the elderly;

[“(B) that develop community education efforts to increase public awareness of the prevalence of mental disorders among the elderly, the symptoms of such disorders, and the availability of community resources for the treatment of such; and

[“(C) that provide treatment services to the elderly in settings where elderly individuals reside or congregate, including nursing homes, day care facilities and senior citizen centers.

[“(3) PRIORITY.—In making grants to eligible projects under paragraph (2), the Secretary shall give priority to applicants in service areas with a high percentage of elderly individuals.

[“(h) ADMINISTRATIVE EXPENSES.—The Secretary shall not make a grant to an applicant under subsections (b) through (g) unless the applicant agrees that not more than 10 percent of the amount of such grant shall be used for administrative expenses.

[“(i) AUTHORIZATION OF APPROPRIATIONS.—

[“(1) MENTAL HEALTH SERVICES DEMONSTRATION PROJECTS.—To carry out subsection (a), there are authorized to be appropriated—

[“(A) $29,300,000 for fiscal year 1988;

[“(B) $32,000,000 for fiscal year 1989, of which 33 percent shall be used for demonstration projects for homeless individuals;

[“(C) $34,000,000 for fiscal year 1990, of which 33 percent shall be used for demonstration projects for homeless individuals; and

[“(D) such sums as are necessary for fiscal year 1991.

[“(2) PREVENTION SERVICES PROJECTS.—To carry out subsection (b), there are authorized to be appropriated $5,000,000 for each of the fiscal years 1988 through 1990, and such sums as are necessary for fiscal year 1991.

[“(3) RURAL RESIDENT PROJECTS.—To carry out subsection (c), there are authorized to be appropriated $5,000,000 for each of the fiscal years 1988 through 1990, and such sums as are necessary for fiscal year 1991.

[“(4) Suicide prevention projects.—To carry out subsection (d), there are authorized to be appropriated $5,000,000 for each of the fiscal years 1988 through 1990, and such sums as are necessary for fiscal year 1991.

[“(5) Depressive disorder projects.—To carry out subsection (e), there are authorized to be appropriated $2,000,000 for fiscal year 1988, and $2,500,000 for each of the fiscal years 1989 and 1990, and such sums as are necessary for fiscal year 1991.

[“(6) Post-legal adoption services projects.—To carry out subsection (f), there are authorized to be appropriated $2,000,000 for fiscal year 1988 and $2,500,000 for each of the fiscal years 1989 and 1990, and such sums as are necessary for fiscal year 1991.

[“(7) Elderly mental health projects.—To carry out subsection (g), there are authorized to be appropriated $2,500,000 for each of the fiscal years 1988 through 1990, and such sums as are necessary in fiscal year 1991.”.

[(b) Conforming Amendment.—Effective October 1, 1988, section 504 (42 U.S.C. 290aa-3) is amended—

[(1) by striking out subsection (f); and

[(2) by redesignating subsections (g), (h), and (i) as subsections (f), (g), and (h), respectively.

[(c) Youth Suicide.—The second sentence of section 504(g) (as redesignated by subsection (b)) is amended by striking out “age of 21” and inserting in lieu thereof “age of 24”.

[(d) Mental Health Services for the Homeless.—Part C of title V is amended—

[(1) in section 521(a) (42 U.S.C. 290cc-21(a)), by striking out “1987 and 1988” and inserting in lieu thereof “1987 through 1989”; and

[(2) in section 535 (42 U.S.C. 290cc-35), by striking out “for fiscal year 1988” and inserting in lieu thereof “for each of the fiscal years 1988 through 1991”.

[(e) Service Research of Community Mental Health Programs.—Part A of title V (42 U.S.C. 290aa et seq.) is amended by inserting after section 504A (as added by subsection (a)) the following new section:

[SEC. 504B. SERVICE RESEARCH OF COMMUNITY MENTAL HEALTH PROGRAMS.

[“(a) In General.—The Secretary, acting through the Director of the National Institute of Mental Health, shall develop and maintain an ongoing program of service research of community mental health programs and services, that shall include the evaluation of—

[“(1) the most effective methods of providing community-based prevention, treatment, and rehabilitation services for mentally ill individuals of all ages; and

[“(2) the comparative cost-effectiveness of different methods of treatment utilized in community mental health programs.

[“(b) FUNDING PROGRAM.—Research and evaluation required in subsection (a) may be carried out through grants, contracts, or cooperative agreements.

[“(c) PLAN.—Not later than 6 months after the date of enactment of the Comprehensive Alcohol Abuse, Drug Abuse, and Mental Health Amendments Act of 1987, the Director shall submit to the Committee on Energy and Commerce of the House of Representatives and the Committee on Labor and Human Resources of the Senate a plan for the program to be established under subsection (a).”.

[SEC. 203. OFFICE OF SUBSTANCE ABUSE PREVENTION; DEMONSTRATION PROJECTS FOR HIGH RISK YOUTHS.

[(a) AUTHORIZATION OF APPROPRIATIONS.—

[(1) IN GENERAL.—Section 508 (42 U.S.C. 290aa-6) is amended by adding at the end thereof the following new subsection:

[“(e) For each of the fiscal years 1988 through 1990, there shall be available, to carry out this section and section 509A, such amounts as are authorized under the third sentence of section 1921(a), to be used as prescribed by the Director of the Office.”.

[(2) SPECIAL PROGRAMS.—Section 1921(a) (42 U.S.C. 300x-14(a)) is amended—

[(A) by inserting “(1)” after the subsection designation; and

[(B) by adding at the end thereof the following new paragraph:

[“(2) Of the amounts appropriated in section 1911 for each of the fiscal years 1988 through 1991—

[“(A) $12,000,000, shall be available to carry out sections 508; and

[“(B) to carry out section 509A—

[“(i) $29,500,000 shall be available in fiscal year 1988;

[“(ii) $34,500,000 shall be available in fiscal year 1989;

[“(iii) $36,500,000 shall be available in fiscal year 1990; and

[“(iv) $38,500,000 shall be available in fiscal year 1991.”.

[(b) FETAL ALCOHOL INFORMATION PROGRAM.—Part A of title V is amended by adding after section 509C (42 U.S.C. 290aa-10) the following new section:

[SEC. 509D. FETAL ALCOHOL INFORMATION PROGRAM.

[“(a) ESTABLISHMENT.—The Director of the Institute on Alcohol Abuse and Alcoholism shall establish and implement a public information program on fetal alcohol syndrome to educate the public concerning the syndrome and to reduce the incidence of the occurrence of the syndrome.

[“(b) REPORT.—Not later than 24 months after the date of enactment of the Comprehensive Alcohol Abuse, Drug Abuse, and Mental Health Amendments Act of 1987, the Director of the Institute shall submit to the Committee on Energy and Commerce of the House of Representatives and to the Committee on Labor and Human Resources of the Senate a report that describes the effect of the informational program established under subsection (a).”.

[SEC. 204. NATIONAL INSTITUTE ON ALCOHOL ABUSE AND ALCOHOLISM.

[Section 513 (42 U.S.C. 290bb-1b) is amended—

[(1) in subsection (a), by inserting before the period ", $83,000,000 for fiscal year 1988, and such sums as are necessary for each of the fiscal years 1989 and 1991"; and

[(2) in subsection (b), by adding at the end thereof the following new sentence: "There are authorized to be appropriated $15,000,000 in fiscal year 1988, $20,000,000 in fiscal year 1989, $25,000,000 in fiscal year 1990, and such sums as are necessary in 1991, to carry out section 512(c).".

[SEC. 205. NATIONAL INSTITUTE ON DRUG ABUSE.

[Section 517 (42 U.S.C. 290cc-2) is amended to read as follows:

["SEC. 517. AUTHORIZATION OF APPROPRIATIONS.

["(a) There are authorized to be appropriated to carry out this subpart, $183,000,000 for fiscal year 1988, and such sums as are necessary for each of the fiscal years 1989 through 1991. There are authorized to be appropriated $10,000,000 in fiscal year 1988, $10,000,000 in fiscal years 1989 and 1990, and such sums as are necessary in fiscal year 1991, to carry out section 516.".

[SEC. 206. RESEARCH ON ALCOHOL AND DRUG ABUSE TREATMENT PROGRAMS.

[Part D of title V (42 U.S.C. 290dd et seq.) is amended by adding at the end thereof the following new subpart:

["Subpart 3—Provisions Relating to Both Alcohol and Drug Abuse

["SEC. 550. SERVICES RESEARCH ON ALCOHOL AND DRUG ABUSE TREATMENT PROGRAMS.

["(a) IN GENERAL.—The Secretary, acting through the Directors of the National Institute on Alcohol Abuse and Alcoholism, and the National Institute on Drug Abuse, shall develop and maintain an ongoing program of research and evaluation of alcohol and drug abuse treatment programs to—

["(1) determine the most effective methods of treatment for alcohol and drug abuse; and

["(2) assess the comparative efficacy and cost-effectiveness of different methods of alcohol and drug abuse treatment.

["(b) FUNDING PROGRAM.—Research and evaluation required in subsection (a) may be carried out through grants, contracts, or cooperative agreements.

["(c) PLAN.—Not later than 6 months after the date of enactment of the Comprehensive Alcohol Abuse, Drug Abuse, and Mental Health Amendments Act of 1987, the Secretary shall submit to the Committee on Energy and Commerce of the House of Representatives and the Committee on Labor and Human Resources of the Senate a plan for the program to be established under subsection (a).".

[SEC. 207. AUTHORIZATION OF APPROPRIATIONS.

[(a) TECHNICAL ASSISTANCE.—Section 541 (42 U.S.C. 290dd) is amended by adding at the end thereof the following new subsection:

["(c) There are authorized to be appropriated in each of the fiscal years 1988 through 1991, $15,000,000 to carry out this section and section 1920A(1).".

[(b) DATA COLLECTION.—Section 509D (as added in section 106 of this Act) is amended by adding at the end thereof the following new subsection:

["(c) APPROPRIATIONS.—

["(1) 1988.—There is authorized to be appropriated in fiscal year 1988, $9,000,000 to be used by the National Institute of Mental Health, the National Institute on Alcohol Abuse and Alcoholism, and the National Institute on Drug Abuse, to carry out this section.

["(2) SUBSEQUENT YEARS.—There is authorized to be appropriated in each of the fiscal years 1989 through 1991, $12,000,000 to be used by the National Institute of Mental Health, and $12,000,000 to be used by the National Institute on Alcohol Abuse and Alcoholism, and the National Institute on Drug Abuse, to carry out this section.".

[TITLE III—INSTITUTE OF MEDICINE

[SEC. 301. STUDY BY THE INSTITUTE OF MEDICINE.

[(a) STUDY.—The Secretary of Health and Human Services shall contract with the Institute of Medicine of the National Academy of Sciences to conduct a study concerning the effective and appropriate treatment, rehabilitation, and continuing care of persons suffering from severe and disabling mental illnesses.

[(b) REPORT.—Not later than 18 months after the date of the signing of the contract with the Institute of Medicine, the Secretary of Health and Human Services shall submit to the Committee of Energy and Commerce of the House of Representatives and the Committee of Labor and Human Resources of the Senate a report of the results of the study conducted under subsection (1).

[(c) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated $1,000,000 in fiscal year 1989 to carry out this section.

[TITLE IV—MISCELLANEOUS

[SEC. 401. ESTABLISHMENT OF THE OFFICE OF ASSOCIATE DIRECTOR FOR SPECIAL POPULATIONS.

[(a) NATIONAL INSTITUTE ON ALCOHOL ABUSE AND ALCOHOLISM.—Section 502 of the Public Health Service Act is amended by adding at the end thereof the following new subsection:

["(e)(1) The Director shall designate an Associate Director for Special Populations.

["(2) The Secretary, acting through the Associate Director for Special Populations, shall—

["(A) develop and coordinate prevention, treatment, research, and administrative policies and programs to assure increased emphasis on the needs of women and minorities for the prevention and treatment of alcoholism and alcohol abuse and related problems;

[“(B) support programs and projects relating to the delivery of services to women and minorities for the prevention and treatment of alcoholism and alcohol abuse and related problems, including demonstration programs and projects;

[“(C) develop a plan to increase the representation of women and minorities in service delivery and manpower programs for the prevention and treatment of alcoholism and alcohol abuse and related problems;

[“(D) support programs of basic and applied social and behavioral research on the problems of women and minorities relating to alcoholism and alcohol abuse;

[“(E) study the effects of discrimination by institutions against alcoholics and alcohol abusers;

[“(F) develop systems to assist women and minority individuals who are alcoholics or alcohol abusers in adapting to, and coping with, the effects of discrimination;

[“(G) support and develop research, demonstration, and training programs designed to eliminate institutional discrimination against alcoholics and alcohol abusers; and

[“(H) provide increased emphasis on the concerns of women and minorities in training programs, service delivery programs, and research activities of the Institute.”.

[(b) NATIONAL INSTITUTE ON DRUG ABUSE.—Section 503 of such Act is amended by adding at the end thereof the following new subsection:

[“(e)(1) The Director shall designate an Associate Director for Special Populations.

[“(2) The Secretary, acting through the Associate Director for Special Populations, shall—

[“(A) develop and coordinate prevention, treatment, research, and administrative policies and programs to assure increased emphasis on the needs of women and minorities for the prevention and treatment of drug abuse and related problems;

[“(B) support programs and projects relating to the delivery of services to women and minorities for the prevention and treatment of drug abuse and related problems, including demonstration programs and projects;

[“(C) develop a plan to increase the representation of women and minorities in service delivery and manpower programs for the prevention and treatment of drug abuse and related problems;

[“(D) support programs of basic and applied social and behavioral research on the problems of women and minorities relating to drug abuse;

[“(E) study the effects of discrimination by institutions against drug abusers;

[“(F) develop systems to assist women and minority individuals who are drug abusers in adapting to, and coping with, the effects of discrimination;

[“(G) support and develop research, demonstration, and training programs designed to eliminate institutional discrimination against drug abusers; and

[“(H) provide increased emphasis on the concerns of women and minorities in training programs, service delivery programs, and research activities of the Institute.”.

[SEC. 402. EFFECTIVE DATE.

[This Act and the amendments made by this Act shall become effective on October 1, 1987, or on the date of the enactment of this Act, whichever occurs later.]

(b) Table of Contents.—The table of contents is as follows:

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SEC. 2. PURPOSES.

(a) Alcohol and Drug Abuse.—It is the purpose of this Act to—

(1) continue the partnership that exists between the Federal Government and the States in the development, maintenance, and improvement of the national network of comprehensive, community-based alcohol and drug abuse programs;

(2) provide financial and technical assistance to States and communities to assist in the development and maintenance of a core of prevention services that will significantly reduce the number and scope of alcohol and drug abuse problems;

(3) assist and encourage States in the initiation and expansion of prevention and treatment services for underserved populations;

(4) prevent the spread of acquired immune deficiency syndrome by assisting States in identifying and providing services to intravenous drug users and others at risk of contracting acquired immune deficiency syndrome; and

(5) increase the understanding of the public concerning the extent of alcohol and other forms of drug abuse throughout the United States and the need for appropriate treatment services through—

(A) the expansion of data collection activities; and

(B) the support of research on the comparative cost and efficacy of existing alcohol and drug abuse prevention and treatment services.

(b) MENTAL HEALTH.—It is the purpose of this Act to—

(1) encourage the development and provision of community mental health services by the States;

(2) encourage the development of a comprehensive community mental health system within each State;

(3) encourage the implementation of new and expanded community mental health services;

(4) encourage States to provide community mental health services in the least restrictive appropriate environment, and to involve the families of individuals undergoing mental health treatment in the development and provision of such services;

(5) encourage States to ensure respect for the rights and needs of recipients of mental health services and to involve such recipients in the development and provision of services, including the development of client-run services;

(6) foster interagency coordination and integration among a broad range of human service providers, support groups, and advocates to ensure that mental health, rehabilitation, vocational, educational, health, and residential services are available to individuals who need such services;

(7) provide Federal assistance to expand community mental health services within each State; and

(8) increase the understanding of the public concerning the extent of mental illness throughout the United States and the need for appropriate treatment services through—

(A) the expansion of data collection activities; and

(B) the support of research on the comparative cost and efficacy of existing mental health services.

SEC. 3. REFERENCES TO THE PUBLIC HEALTH SERVICE ACT.

Except as otherwise specifically provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Public Health Service Act (42 U.S.C. 201n et seq.).

TITLE I—ALCOHOL AND DRUG ABUSE AND MENTAL HEALTH SERVICES BLOCK GRANTS

SEC. 101. AUTHORIZATION OF APPROPRIATIONS.

Section 1911 (42 U.S.C. 300x) is amended—

(1) by striking out "and"; and

(2) by inserting before the period the following: ", $550,500,000 for fiscal year 1988, $791,500,000 for fiscal year 1989, $868,000,000 for fiscal year 1990, and $952,000,000 for fiscal year 1991".

SEC. 102. STATE COMPREHENSIVE MENTAL HEALTH SERVICE PLAN.

(a) ADMINISTRATIVE EXPENSES.—Subsection (d) of section 1920D (42 U.S.C. 300x-9D(d)) is amended to read as follows:

"(d) The amount referred to in subsections (a), (b), and (c) with respect to a State is the total amount that the State is permitted to expend for administrative expenses under section 1915(d) for fiscal year 1986 from amounts paid to the State under subpart 1 for such fiscal year. If in the judgment of the Secretary the State is making a good faith effort to comply with this subpart, the Secretary may assess the State a penalty that is less than the maximum penalty, but in no event shall the penalty be less than 2 percent of the amount the State is permitted to expend for administrative expenses.".

(b) REPORT.—Not later than September 30, 1990, the Comptroller General of the General Accounting Office shall prepare and submit to the Committee on Energy and Commerce of the House of Representatives and the Committee on Labor and Human Resources of the Senate, a report that—

(1) evaluates the status of the implementation of section 1920C of the Public Health Service Act (42 U.S.C. 300x-11) requiring State Mental Health Services Plans; and

(2) includes an assessment of—

(A) the number of States that have submitted such plans;

(B) the number of States that have implemented the plans submitted by such States;

(C) the efficacy of the plans that have been implemented in achieving effective, organized community-based systems of care for seriously mentally ill individuals; and

(D) recommendations on additional legislation that is necessary to facilitate the achievement of the goals of this Act.

SEC. 103. ALCOHOL AND DRUG ABUSE AND MENTAL HEALTH SERVICES BLOCK GRANTS.

(a) EVALUATION.—Section 1912 (42 U.S.C. 300x-1) is amended by adding at the end thereof the following new subsection:

"(c) The Secretary may use not to exceed 1 percent of the amounts appropriated under section 1911 in each of the fiscal years 1988 through 1991 to conduct evaluations, and prepare reports for submission to Congress, concerning the functioning and effectiveness of block grant programs conducted under this subpart.".

(b) ALLOTMENTS.—*Section 1913 (42 U.S.C. 300x-1a) is amended to read as follows:*

"SEC. 1913. ALLOTMENTS.

"(a) RESERVATIONS.—

"(1) TERRITORIES AND POSSESSIONS.—*The Secretary shall reserve not to exceed $5,025,000 from the amounts appropriated under section 1911 in each of the fiscal years 1989 through 1991 for payments to Guam, American Samoa, the Virgin Islands, the Trust Territory of the Pacific Islands, the Commonwealth of Puerto Rico, and the Northern Mariana Islands, in amounts that bear the same ratio to the amount specified above as the population of the territory or possession bears to the total population of all such territories and possessions, but notwithstanding such allocation, no territory or possession shall receive the lesser of $100,000, or 105 percent of the combined amount the territory or possession received under this section (as such section existed before the date of enactment of the Comprehensive Alcohol Abuse, Drug Abuse, and Mental Health Amendments Act of 1988) in fiscal year 1987, and for emergency treatment purposes under section 1921(b)(1), whichever is less.*

"(2) INDIANS.—

"(A) IN GENERAL.—*If the Secretary—*

"(i) receives a request from the governing body of an Indian tribe or tribal organization within any State that funds under this part be provided directly by the Secretary to such tribe or organization; and

"(ii) determines that the members of such tribe or tribal organization would be better served by means of grants made directly by the Secretary under this part;

the Secretary shall reserve from amounts which would otherwise be allotted to such State under subsection (b) for the fiscal year the amount determined under subparagraph (B).

"(B) ALLOTMENT.—*The Secretary shall reserve for the purpose of subparagraph (A), from amounts that would otherwise be allotted to such State under subsection (b), an amount equal to the amount which bears the same ratio to the State's allotment for the fiscal year involved as the total amount provided or allotted for fiscal year 1987 by the Secretary to such tribe or tribal organization under the existing alcohol and drug abuse, and mental health block grant bears to the total amount provided or allotted for such fiscal year by the Secretary to the States and entities (including Indian tribes and tribal organizations) in the State under such provisions of law.*

"(C) RECIPIENT.—*The amount reserved by the Secretary on the basis of a determination under this subsection shall be granted to the Indian tribe or tribal organization serving the individuals for whom such a determination has been made.*

"(D) PLAN.—*In order for an Indian tribe or tribal organization to be eligible for a grant under this paragraph, such tribe or organization shall submit to the Secretary a plan*

for such fiscal year that meets such criteria as the Secretary may prescribe.

"(E) DEFINITION.—As used in this subparagraph the terms 'Indian tribe' and 'tribal organization' have the same meaning given such terms in section 4(b) and section 4(c) of the Indian Self-Determination and Education Assistance Act.

"(3) INITIAL ALLOTMENT.—Out of the amounts appropriated under section 1911 in each of the fiscal years 1989 through 1991, the Secretary shall reserve $329,975,000 in each such fiscal year unless amounts appropriated are less than such amount, for payments to States, territories, and possessions based on the fiscal year 1984 proportionate share of each State, territory or possession as determined under this section (as such section existed before the date of enactment of the Comprehensive Alcohol Abuse, Drug Abuse, and Mental Health Amendments Act of 1987).

"(b) STATE ALLOTMENT.—

"(1) GENERAL RULE.—From the remainder of the sums appropriated under section 1911 for each of the fiscal years 1989 through 1991, the Secretary shall allot to each State (excluding jurisdictions referred to in subsection (a)(1)) an amount equal to the product obtained by multiplying—

"(A) the State need; by

"(B) the State fiscal capacity.

"(2) STATE NEED.—For purposes of this subsection, the State need of a State shall be an amount equal to the sum of—

"(A) the amount equal to the product of .4 multiplied by the amount equal to the sum of—

"(i) the amount equal to the product of .5 multiplied by the total population of the State residing in urbanized areas, as determined by the Secretary;

"(ii) the amount equal to the product of .3 multiplied by the total population of the State between the ages of 18 and 24 years; and

"(iii) the amount equal to the product of .2 multiplied by the total population of the State between the ages of 25 and 44 years;

"(B) the amount equal to the product of .2 multiplied by the total population of the State between the ages of 25 and 64 years; and

"(C) the amount equal to the product of .4 multiplied by amount equal to the sum of—

"(i) the amount equal to the product of .4 multiplied by the total population of the State between the ages of 18 and 24 years; and

"(ii) the amount equal to the product of .6 multiplied by the total population of the State between the ages of 25 and 44 years.

"(3) STATE FISCAL CAPACITY.—

"(A) GENERAL FORMULA.—For purposes of this subsection, the State fiscal capacity of a State shall be an amount equal to the sum of—

"(i) one; minus

"(ii) the percentage equal to the product of 20 percent multiplied by the amount equal to the quotient obtained by dividing—

"(I) the total taxable resources per person in need of a State; by

"(II) the total taxable resources per person in need for all States.

"(B) TAXABLE RESOURCES PER PERSON IN NEED OF A STATE.—For purposes of subparagraph (A)(ii)(I), the total taxable resources per person in need of a State shall be an amount equal to the average total taxable resources of the State, as determined by the Secretary of the Treasury based on State gross product as reported by the Bureau of Economic Analysis, for the period of the 3 most recently completed calendar years ending before the date on which an application is submitted under section 1916, divided by the State need as determined under paragraph (2).

"(C) TAXABLE RESOURCES PER PERSON IN NEED OF ALL STATES.—For purposes of subparagraph (A)(ii)(II), the total taxable resources per person in need of all States shall be an amount equal to the average total taxable resources per person in need in all States, as determined by the Secretary of the Treasury based on State gross product, as reported by the Bureau of Economic Analysis, for the period of the 3 most recently completed calendar years ending before the date on which an application is submitted under section 1916, divided by the State need as determined under paragraph (2).

"(4) MINIMUM ALLOTMENT.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), no State shall receive an allotment of less than $7,000,000, or 105 percent of the combined amount the State received under this section (as such section existed before the date of enactment of the Comprehensive Alcohol Abuse, Drug Abuse, and Mental Health Amendments Act of 1988) in fiscal year 1987, and for emergency treatment purposes under section 1921(b)(1), whichever is less.

"(B) SPECIAL RULE.—In the case of each of the fiscal years 1990 and 1991, amounts paid to States under subparagraph (A) shall increase by the same percentage as the remainder of the sums appropriated under section 1911 for purposes of allotments increases as compared to such sums available for allotment in fiscal year 1989.

"(c) DATA AND INFORMATION.—Except as provided in subsection (b)(3), the Secretary shall obtain from each appropriate Federal agency, the most recent data and information necessary to determine the allotments provided for in subsection (b).

"(d) REALLOTMENTS.—

"(1) IN GENERAL.—Any portion of the allotment to a State under subsection (b) that the Secretary determines is not required to carry out activities described in the application approved under section 1916, in the period that the allotment is made available, shall be reallocated by the Secretary to other States in proportion to the original allotment to such States.

"(2) LIMITATION.—The amount that another State is entitled to under paragraph (1) shall be reduced to the extent that such amount exceeds the sum that the Secretary estimates will be used in that other State to carry out activities described in the application submitted in accordance with the requirements of a State plan approved under section 1916. The amount of such reduction shall be similarly reallotted among States in which the proportionate amount is not reduced.

"(3) AMOUNTS REALLOTTED.—Any amount reallotted to a State under this subsection shall be deemed to be part of the original State allotment under subsection (b) for that year.".

(c) USE OF ALLOTMENTS.—

(1) IN GENERAL.—Paragraph (2) of section 1915(a) (42 U.S.C. 300x-3(a)(2)) is amended to read as follows:

"(2) planning, developing, and providing community mental health services and related support services with—

"(A) emphasis on the initiation and provision of new or expanded services that contribute to the development of a comprehensive community mental health system as described in section 1916(e); and

"(B) continued support for community mental health center services funded with Federal block grants prior to 1989 to the extent consistent with section 1916(c)(15), and with the State Mental Health Planning Council priorities and the State Comprehensive Mental Health Plan.

(2) REPEAL.—Section 1915 (42 U.S.C. 300x-3) is amended by repealing subsection (c).

(d) APPLICATION.—Section 1916 (42 U.S.C. 300x-4) is amended to read as follows:

"SEC. 1916. APPLICATION AND DESCRIPTION OF ACTIVITIES.

"(a) APPLICATION.—

"(1) IN GENERAL.—In order to receive an allotment for a fiscal year under section 1913(b) each State shall submit an application to the Secretary.

"(2) FORM.—An application submitted under this subsection shall be in such form and submitted by such date as the Secretary shall require.

"(3) ASSURANCES.—An application submitted under this subsection shall contain assurances that the legislature of the State has complied with subsection (b) and that the State will meet the requirements of subsection (c).

"(b) PUBLIC HEARINGS.—After the expiration of the first fiscal year in which a State receives an allotment under section 1913(b), no funds shall be allotted to such State for any fiscal year under such section unless the legislature of the State conducts public hearings on the proposed use and distribution of funds to be provided under section 1914 for such fiscal year.

"(c) CONTENTS OF APPLICATION.—As part of the annual application required by subsection (a), the chief executive officer of each State shall certify as follows:

"(1) GENERAL USE OF FUNDS.—The State agrees to use the funds allotted to it under section 1913 in accordance with this part.

"(2) Comprehensive mental health services.—The State agrees, to the extent practicable, that grants made to community mental health centers and other entities in the State shall be used for the provision of comprehensive mental health services—

"(A) principally to individuals residing in a defined geographic area (hereinafter in this section referred to as a 'mental health service area'), with special attention to individuals who are seriously mentally ill;

"(B) within the limits of its capacity, to any individual residing or employed in a mental health service area in the State regardless of ability to pay for such services, current or past health condition, or any other factor; and

"(C) that are available and accessible promptly, as appropriate and in a manner that preserves human dignity and assures continuity and high quality care.

"(3) Community mental health centers.—The State agrees to require that any community mental health center in the State receiving a grant prior to fiscal year 1989 from the State under this part provide—

"(A) outpatient services, including specialized outpatient services for children, the elderly, individuals who are seriously mentally ill, and residents of a mental health service area of the State who have been discharged from inpatient treatment at a mental health facility;

"(B) 24-hour-a-day emergency care services;

"(C) day treatment or other partial hospitalization services, or psychosocial rehabilitation services;

"(D) screening for patients being considered for admission to State mental health facilities to determine the appropriateness of such admission; and

"(E) consultation and education services.

"(4) Evaluation criteria.—The State agrees to establish reasonable—

"(A) criteria to evaluate the effective performance of entities that receive funds from the State under this part; and

"(B) procedures for procedural and substantive independent State review of the failure by the State to provide funds for any such entity.

"(5) Specific use of funds.—

"(A) In general.—The State agrees to use the funds allotted to the State under section 1913 to carry out the mental health and alcohol drug abuse activities prescribed by section 1915(a) in accordance with this paragraph. The relative amounts provided for mental health activities and drug and alcohol abuse activities shall not exceed an amount that bears the same relationship to the funds allotted to the State for such fiscal year as the funds that would have been received by the State and entities in the State in fiscal year 1987 for mental health activities and drug and alcohol activities (including amounts received from funds allocated under section 1913 and section 1921(b)(1) as such section existed before the enactment of the Comprehensive

Alcohol Abuse, Drug Abuse, and Mental Health Amendments Act of 1988.

"(B) PERCENT OF FUNDS.—The State may transfer not more than 10 percent of the amounts distributed under subparagraph (A)—

"(i) for mental health activities to amounts used for alcohol and drug abuse activities; and

"(ii) for alcohol and drug abuse activities to amounts used for mental health activities.

"(6) ALCOHOL AND DRUG ABUSE USES.—In any fiscal year, the State agrees to use funds for the alcohol and drug abuse activities prescribed by section 1915(a) as follows:

"(A) Not less than 35 percent of the amount to be made available for such activities relating to alcoholism and alcohol abuse.

"(B) Not less than 35 percent of the amount to be made available for such activities shall be used for programs and activities relating to drug abuse.

"(7) FEDERAL INVESTIGATIONS.—The State agrees to permit and cooperate with Federal investigations undertaken in accordance with section 1918.

"(8) IDENTIFICATION OF NEEDS.—The State has identified those populations, areas, and localities in the State with a need for mental health, alcohol abuse and alcoholism, and drug abuse services.

"(9) FEDERAL FUNDS.—The Federal funds made available under section 1914 for any periods will be so used as to supplement and increase the level of State, local, and other non-Federal funds that would in the absence of such Federal funds be made available for the programs and activities for which funds are provided under that section and will in no event supplant such State, local, and other non-Federal funds.

"(10) DISCLOSURE.—The State has in effect a system to protect from inappropriate disclosure patient records maintained by the State in connection with an activity funded under this part or by any entity that is receiving payments from the allotment of the State under this part.

"(11) JOB LOCATION.—The State shall develop and implement arrangements, that are not excessively burdensome on the State, to locate jobs for employees affected adversely by actions taken by the State mental health authority to emphasize outpatient mental health services.

"(12) WOMEN.—Of the amount allotted to a State in any fiscal year under this part, the State shall use not less than 5 percent of such amount to provide alcohol and drug abuse services designed specifically for women. Services implemented under paragraph (14) (as such paragraph existed before the effective date of section 103 of the Comprehensive Alcohol Abuse, Drug Abuse, and Mental Health Amendments of 1988) may be continued under this paragraph.

"(13) CHILDREN.—Of the amounts allotted in any fiscal year for mental health services, the State agrees to use not less than 10 percent of such amount to provide services and programs for seriously emotionally disturbed children and adolescents. The

State shall use not less than 50 percent of the amounts set aside in the preceding sentence by the end of fiscal year 1990 to provide new or expanded services and programs that were not available prior to October 1, 1988, which shall apply to the requirement in paragraph (14).

"(14) NEW MENTAL HEALTH SERVICES AND PROGRAMS.—Of the amounts allotted to a State for mental health activities under this part for fiscal year 1991, the State agrees to use, not less than 55 percent of such amount, to develop and provide community mental health services and programs, not available on October 1, 1988, and shall, with respect to each such service provided pursuant to this paragraph, provide funds for each service only for a limited period of time (as determined by the State), except that funds expended under this part for new services developed between October 1, 1984, and October 1, 1988, may be treated as a new service under this paragraph.

"(d) DESCRIPTION OF INTENDED USE.—

"(1) IN GENERAL.—The chief executive officer of a State shall, as part of the application required by subsection (a), also prepare and furnish the Secretary (on such form as the Secretary shall provide) with a description of the intended use of the payments the State will receive under section 1914 for the fiscal year for which the application is submitted, including information on the programs and activities to be supported and services to be provided.

"(2) PUBLICATION.—The description shall be made public within the State in such manner as to facilitate comment from any person (including any Federal or other public agency) during development of the description and after its transmittal.

"(3) REVISION.—The description shall be revised (consistent with this section) throughout the year as may be necessary to reflect substantial changes in the programs and activities assisted by the State under this part. Any revision shall be subject to the requirement of publication.

"(e) RECEIPT OF PAYMENTS.—To receive payments under section 1914, a State shall agree that the State, in carrying out the purposes of this part, will facilitate coordination among institutions offering mental health services in the State to establish a State comprehensive community mental health system that—

"(1) provides for the development of a continuum of community mental health services within identified geographic areas;

"(2) ensures that mental health services offered by the system are accessible to individuals of all ages in the State who need the services provided by the system;

"(3) provides mental health services according to the particular needs of the individual for whom the services are sought, including developing plans of care and providing services in the context most appropriate to the age, sex, and cultural background of the individual;

"(4) encourages individuals receiving mental health services to be independent, and encourages the families of such individuals to be supportive of the individual in the attempts of the individual to achieve the optimal level of independence;

"(5) ensures that mental health services are provided in the least restrictive appropriate environment;

"(6) ensures that the mental health services provided by the system meet applicable professional standards for the provision of such services; and

"(7) emphasizes services for individuals who have serious mental illnesses and who—

"(A) are homeless;

"(B) have been institutionalized or at risk of institutionalization;

"(C) are children or youth with serious emotional disturbances;

"(D) are elderly individuals;

"(E) are young adults with diagnoses of both mental illness and alcohol or drug abuse;

"(F) are racial and ethnic minorities;

"(G) are women;

"(H) are people living in poverty; or

"(I) are residents of rural areas.

"The State may use funds provided under section 1914 to develop plans to implement this subsection.

"(f) STATE MENTAL HEALTH SERVICES PLANNING COUNCIL.—

"(1) ESTABLISHMENT.—Not later than 6 months after the date of enactment of the Comprehensive Alcohol Abuse, Drug Abuse, and Mental Health Amendments Act of 1987, or 6 months after the opening of the first State legislative session after the enactment of such Act if legislative action by the State is required to implement this subsection, the chief executive officer of a State shall establish a State mental health services planning council that shall—

"(A) serve as an advocate for seriously mentally ill individuals, seriously mentally ill children, adolescents, elderly individuals, and other individuals with a mental illness or emotional problem; and

"(B) monitor, review, and evaluate, at least once a year, the allocation and adequacy of mental health services within the State.

"(2) COMPOSITION.—The Council shall, subject to paragraph (3), be composed of residents of the State, including at least one representative of—

"(A) the principal State agencies that have jurisdiction over—

"(i) mental health, education, vocational rehabilitation, children's services, criminal justice, housing, and social services; and

"(ii) the development of the State plan submitted pursuant to title XIX of the Social Security Act (42 U.S.C. 1396 et seq.);

"(B) public and private entities concerned with the need, planning, operation, funding, and use of mental health services and related support services;

"(C) seriously mentally ill adults who are receiving (or have received) mental health services and the families of such adults or of seriously emotionally disturbed children;

"(D) minorities; and

"(E) organizations functioning as advocates for the mentally ill and for mental health services.

"(3) RESTRICTION.—Not less than 50 percent of the members of the Council shall be individuals who are not State employees or providers of mental health services.

"(4) PLAN PREPARATION.—The Council may assist the State in the preparation the plan required by section 1920C.

"(g) REPORT.—

"(1) IN GENERAL.—The Secretary shall report annually to the Committee on Energy and Commerce of the House of Representatives and the Committee on Labor and Human Resources of the Senate on the new services initiated and provided in accordance with paragraphs (13) and (14) of subsection (c).

"(2) CONTENTS.—The report shall include—

"(A) a detailed description of such programs and services;

"(B) an assessment of the adequacy of such programs and services in meeting the alcohol and drug abuse treatment needs of women and mental health needs of severely disturbed children and adolescents; and

"(C) such other information, including legislative and administrative recommendations, as the Secretary considers appropriate.".

(d) EFFECTIVE DATE.—The amendments made by this section shall become effective on October 1, 1988.

SEC. 104. DATA COLLECTION.

Title V is amended by inserting after section 509C (42 U.S.C. 290aa-10) the following new section:

"SEC. 509D. DATA COLLECTION.

"(a) IN GENERAL.—The Directors of the National Institute of Mental Health, the National Institute on Alcohol Abuse and Alcoholism, and the National Institute on Drug Abuse in cooperation with the alcohol, drug, and mental health agencies of the State and the respective national organizations concerning such, shall collect data on—

"(1) the number and variety of public and nonprofit private treatment programs available for mental health and alcohol and drug abuse;

"(2) the number and demographic characteristics of individuals receiving treatment through the programs referred to in paragraph (1);

"(3) the type of care received by the individuals referred to in paragraph (2); and

"(4) other programs and activities as may be appropriate.

"(b) REPORT.—The Secretary shall submit to the Committee on Energy and Commerce of the House of Representatives and the Committee on Labor and Human Resources of the Senate every 2 years, a report that describes—

"(1) the scope of drug and alcohol and mental health services being provided by public and private nonprofit entities;

"(2) the identification of alcohol and drug abuse and mental health service shortage areas and of gaps in such services;

"(3) the number of alcohol and drug abuse and mental health treatment settings;

"(4) the number and characteristics of the individuals served by the services described in paragraphs (1) and (2); and

"(5) other information that is considered appropriate by the Secretary.".

SEC. 105. MODEL PLAN FOR SERIOUSLY MENTALLY ILL INDIVIDUALS.

Section 1920E (42 U.S.C. 300x-12) is amended to read as follows:

"SEC. 1920E. MODEL PLAN FOR SERIOUSLY MENTALLY ILL INDIVIDUALS.

"(a) In General.—The Secretary, acting through the Director of the National Institute of Mental Health, shall develop and make available from time to time, a model plan for a community-based system of care for seriously mentally ill individuals.

"(b) Consultation.—The plan referred to in subsection (a) shall be developed in consultation with State mental health directors, providers of mental health services, seriously mentally ill individuals, advocates for such individuals, and other interested parties".

SEC. 106. ACQUIRED IMMUNODEFICIENCY SYNDROME BLOCK GRANTS.

Part B of title XIX (42 U.S.C. 300x et seq.) is amended by adding at the end thereof the following new subpart:

"Subpart 3—Acquired Immunodeficiency Syndrome Grants

"SEC. 1920F. GRANTS.

"(a) Authority.—To carry out this section, there are authorized to be appropriated $75,000,000 for fiscal year 1988, and such sums as are appropriate for each of the fiscal years 1989 through 1991, to make grants to public and nonprofit private entities for projects and programs that seek to reduce the transmission of the acquired immunodeficiency virus in and by users of illegal intravenous drugs.

"(b) Applications.—An allotment to a State shall not be made by the Secretary under subsection (a) unless the State has submitted an information and assurances section as designated in section 1920H(a), and such information and assurances section has been approved by the Secretary, acting through the Director of the National Institute on Drug Abuse in consultation with the Director of the Centers for Disease Control, in accordance with section 1920H(a).

"SEC. 1920G. ALLOTMENTS.

"(a) Reservations.—The Secretary shall reserve $100,000 of the amount appropriated under section 1920F in each fiscal year for payments to Guam, American Samoa, the Virgin Islands, the Trust Territory of the Pacific Islands, and the Northern Mariana Islands, to be allotted in accordance with their respective needs.

"(b) State Allotment.—The allotment of a State under this section shall be based on the State's proportionate share of the number of intravenous drug use related cases of AIDS as reported by the Centers for Disease Control, but in no case shall a State receive less than $150,000.

"(c) Puerto Rico.—Puerto Rico shall be treated as a State in the determination of allotments under subsection (b).

"(d) DATA AND INFORMATION.—The Secretary shall obtain from each appropriate Federal agency, the most recent data and information, for the 12-month period immediately preceding the determination of the allotment, necessary to determine the allotments for fiscal year 1988, and for subsequent fiscal years, the Secretary shall obtain the most recent data and information, for the 2-year period immediately preceding the determination of the allotment.

"SEC. 1920H. REQUIRED INFORMATION AND ASSURANCES.

"In order to receive an allotment for a fiscal year under section 1920G, each State shall submit to the Secretary, as part of the alcohol, drug abuse, and mental health block grant application required under section 1916, an information and assurances section that shall contain—

"(1) such information as the Directors of the National Institute on Drug Abuse and the Centers for Disease Control shall require;

"(2) a description of the programs that will be implemented or improved with the assistance given under this subpart and the manner in which such programs will be coordinated with other public and private programs and activities;

"(3) assurances that, in the preparation of any statement under this section, the State will consult with local governments and the public and private entities (including community-based organizations) involved in the provision of services under this subpart;

"(4) a description of the manner in which the State will evaluate the programs and activities conducted with assistance provided under this subpart;

"(5) assurances that the State will prepare and submit a report, as required by the Secretary, on the results of the evaluations referred to in paragraph (4);

"(6) assurances that the State will prepare and submit reports, as required by the Secretary, containing data necessary to monitor relevant epidemiological changes; and

"(7) assurances that assistance provided to the State under this subpart will supplement and not supplant any State or local expenditures for treatment, outreach, prevention, and educational efforts targeted for users of illegal intravenous drugs at risk of contracting acquired immunodeficiency syndrome.

"SEC. 1920I. USE OF ALLOTMENTS.

"Amounts paid to a State under this subpart may be used by the State according to such requirements as the Secretary, acting through the Director of the National Institute on Drug Abuse, and in consultation with the Directors of the Centers for Disease Control, to establish programs that provide—

"(1) treatment for users of illegal intravenous drugs that have contracted, or are at risk of contracting the acquired immunodeficiency syndrome virus;

"(2) outreach services to users of illegal intravenous drugs;

"(3) aggressive efforts to prevent the transmission of the acquired immunodeficiency syndrome virus among users of illegal intravenous drugs; and

"(4) the training and organizational efforts necessary to accomplish all of the above.

"SEC. 1920J. PAYMENTS.

"(a) In General.—For each fiscal year, the Secretary shall make payments, as provided by section 203 of the Intergovernmental Cooperation Act of 1968 (42 U.S.C. 4213), to each State that has complied with section 1920H from the allotment under section 1920G (other than any amount reserved under section 1920G) from amounts appropriated for that fiscal year.

"(b) Unexpended Amounts.—

"(1) In general.—Any amount paid to a State for a fiscal year and remaining unobligated at the end of such year shall remain available to such State for the next fiscal year for the purposes for which the payment was made.

"(2) Withholding of funds.—If in the judgment of the Secretary, a State is unlikely to use funds that are available to that State during a fiscal year for the purposes prescribed by the Secretary under section 1920I, the Secretary may withhold the amount otherwise available to that State in subsequent fiscal year.

"(c) Reduction in Payments.—

"(1) In general.—The Secretary, at the request of a State, may reduce the amount of payments under subsection (a) by—

"(A) the fair market value of any supplies or equipment furnished the State by the Federal government for the convenience of and at the request of the State; and

"(B) the amount of the pay, allowances, and travel expenses of any officer or employee of the Federal government when detailed to the State, and the amount of any other costs incurred in connection with the detail of such officer or employee, if such amount is expended for the convenience of and at the request of the State.

"(2) Reduced amounts.—The amount by which any payment is reduced under paragraph (1) shall be available for payment by the Secretary of the costs incurred in furnishing the supplies or equipment or in detailing the personnel, on which the reduction of the payment is based. The amount shall be considered to be part of the payment and to have been paid to the State.

"(d) Reallocations.—To the extent that all the funds appropriated under section 1920F for a fiscal year and available for allotment in such fiscal year are not otherwise allotted to States because—

"(1) one or more States have not submitted a satisfactory application with an information and assurances section in accordance with section 1920H for the fiscal year;

"(2) one or more States have notified the Secretary that they do not intend to use the full amount of their allotment; or

"(3) some State allotments are offset or repaid under subsection (c);

such excess shall be allotted among each of the remaining States in proportion to the amount otherwise allotted to such States for the fiscal year without regard to this subsection.

"SEC. 1920K. DEFINITION.

As used in this subpart, the term 'illegal intravenous drug' includes any controlled substance as defined in section 102(6) of the Controlled Substance Act (21 U.S.C. 802(6)).".

SEC. 107. SPECIAL ALCOHOL ABUSE AND DRUG ABUSE PROGRAMS.

Section 1921 is amended—

(1) in subsection (a) to read as follows:

"(a) To carry out this section there are authorized to be appropriated $171,000,000 for fiscal year 1988."; and

(2) in subsection (b)—

(A) by striking out in paragraph (1) "for a fiscal year" and inserting in lieu thereof "for fiscal year 1988"; and

(B) by amending paragraph (4) to read as follows:

"(4) The Secretary shall make allotments to States under paragraphs (2) and (3) for fiscal year 1988, and shall make payments to States under subsection (c) from such allotments, at the same time that the Secretary makes allotments and payments under sections 1913 and 1914, respectively, for such fiscal year.".

SEC. 108. CONFORMING AMENDMENTS.

(a) Section 1917(a)(1) (42 U.S.C. 300x-5(a)(1)) is amended by striking out "(14) and (15)" and inserting in lieu thereof "(13) and (14)".

(b) Part B of title XIX (42 U.S.C. 300x et seq.) is amended by striking out "chronically mentally ill" each place it appears and inserting in lieu thereof "seriously mentally ill" in each such place.

(c) Section 1922 is repealed.

TITLE II—NATIONAL INSTITUTES OF ALCOHOL, DRUG ABUSE, AND MENTAL HEALTH

SEC. 201. ALCOHOL, DRUG ABUSE, AND MENTAL HEALTH ADMINISTRATION.

(a) IN GENERAL.—Section 501 (42 U.S.C. 290aa) is amended—

(1) in subsection (b), by adding at the end thereof the following new paragraph:

"(4) The Office of Substance Abuse Prevention.";

(2) in the first sentence of subsection (e)(2)—

(A) by striking out "The" and inserting in lieu thereof "Not less than once every 3 years, the"; and

(B) by striking out "annually";

(3) in subsection (f), by striking out "fraud" each place it appears and inserting in lieu thereof "misconduct"; and

(4) by adding at the end thereof the following new subsections:

"(l) The Administrator may accept voluntary and uncompensated services.

"(m) The Administrator may conduct and support research training—

"(1) for which fellowship support is not provided under section 487; and

"(2) that is not residency training of physicians or other health professionals.".

(b) RENAMING OF ADMINISTRATION.—

(1) PUBLIC HEALTH SERVICE ACT.—The Public Health Service Act is amended—

(A) in sections 227, 319(a), 487, 489(a)(2), 501(a) through (c), 1920A, and (1923) (42 U.S.C. 236, 247d(a), 288, 288b(a)(2), 290aa(a)-(c), 300x-9, and 300y-2), by striking out "Alcohol, Drug Abuse, and Mental Health Administration" each place it appears and inserting in lieu thereof "National Institutes of Alcohol, Drug Abuse, and Mental Health"; and

(B) in sections 501, 504(d), 508(a), 509B(a), 509C(a)(1), and 509C(d) (42 U.S.C. 290aa, 290aa-3(d), 290aa-6(a), 290aa-9(a), 290aa-10(a)(1), and 290aa-10(d)), by striking out "Administration" each place it appears and inserting in lieu thereof "National Institutes of Mental Health, Drugs, and Alcohol".

(2) CONFORMING AMENDMENT.—Part A of title V of the Public Health Service Act (42 U.S.C. 290aa et seq.) is amended—

(A) by striking out the part heading and inserting in lieu thereof the following new heading:

"PART A—NATIONAL INSTITUTES OF MENTAL HEALTH, DRUGS, AND ALCOHOL AND INDIVIDUAL INSTITUTES"; AND

(B) in section 501, by striking out the section heading and inserting in lieu thereof the following new heading:

"NATIONAL INSTITUTES OF MENTAL HEALTH, DRUGS, AND ALCOHOL".

SEC. 202. NATIONAL INSTITUTE OF MENTAL HEALTH.

(a) MENTAL HEALTH DEMONSTRATION PROJECT GRANTS.—Part A of title V is amended by inserting after section 504 (42 U.S.C. 290aa-3) the following new section:

"SEC. 504A. MENTAL HEALTH SERVICE GRANTS AND DEMONSTRATION PROJECTS.

"(a) MENTAL HEALTH DEMONSTRATION PROJECTS.—The Secretary, acting through the Director, may make grants to States, political subdivisions of States, and private nonprofit entities for—

"(1) mental health services demonstration projects, (including self-help services), for the planning, coordination, and improvement of community services for seriously mentally ill individuals, seriously emotionally disturbed children and adolescents, elderly individuals (with special emphasis on areas with high concentrations of the elderly), residents of rural areas, and homeless seriously mentally ill individuals;

"(2) demonstration projects relating to the provision of prevention services to individuals who are at risk of developing mental illness;

"(3) demonstration projects for the prevention of youth suicide;

"(4) demonstration projects for the improvement of the recognition, assessment, treatment, and clinical management of depressive disorders;

"(5) demonstration projects for the improvement of post-legal adoption mental health and counseling services; and

"(6) demonstration projects for treatment and prevention relating to sex offenses.

"(b) GRANTS.—The Secretary may make a grant under subsection (a) for not more than 5 consecutive 1-year periods, except that the Secretary may waive the limitation of this paragraph with respect to a particular grant if the Secretary determines that extenuating circumstances exist that merit such waiver.

"(c) ADMINISTRATIVE EXPENSES.—

"(1) IN GENERAL.—The Secretary shall not make a grant to an applicant under paragraphs (2) through (7) of subsection (a) unless the applicant agrees that not more than 10 percent of the amount of such grant shall be used for administrative expenses.

"(2) MENTAL HEALTH DEMONSTRATION PROJECTS.—Not more than 25 percent of the total amount of a grant made to a State under subsection (a)(1) for a project for services for seriously mentally ill individuals, seriously emotionally disturbed children and adolescents, elderly individuals, residents of rural areas, and homeless seriously mentally ill individuals in any fiscal year may be used by the State for administrative expenses in carrying out such grant in such fiscal year.

"(d) AUTHORIZATION OF APPROPRIATIONS.—

"(1) IN GENERAL.—In order to provide grants under subsection (a) there is authorized to be appropriated—

"(A) $57,700,000 for fiscal year 1988;

"(B) $60,400,000 for fiscal year 1989, of which at least 18 percent shall be used for demonstration projects for homeless individuals;

"(C) $63,400,000 for fiscal year 1990, of which at least 18 percent shall be used for demonstration projects for homeless individuals; and

"(D) such sums as are necessary in fiscal year 1991, of which at least 18 percent shall be used for demonstration projects for homeless individuals.

"(2) RURAL RESIDENT PROJECTS.—Of the amounts appropriated under paragraph (1), the Secretary may use not in excess of $5,000,000 in each of the fiscal years 1988 through 1990, to make grants for rural residents projects described in subsection (a)(1).

"(3) ELDERLY MENTAL HEALTH PROJECTS.—Of the amounts appropriated under paragraph (1), the Secretary may use not in excess of $4,500,000 in each of the fiscal years 1988 through 1990, to make grants for demonstration projects relating to mental health services for elderly individuals described in subsection (a)(1).

"(4) PREVENTION SERVICES PROJECTS.—Of the amounts appropriated under paragraph (1), the Secretary may use not in excess of $5,000,000 in each of the fiscal years 1988 through 1990, to make grants for projects described in subsection (a)(2).

"(5) SUICIDE PREVENTION PROJECTS.—Of the amounts appropriated under paragraph (1), the Secretary may use not in excess of $5,000,000 in each of the fiscal years 1988 through 1990, to make grants for projects described in subsection (a)(3).

"(6) DEPRESSIVE DISORDER PROJECTS.—Of the amounts appropriated under paragraph (1), the Secretary may use not in excess

of $2,000,000 in fiscal year 1988, and $2,500,000 in each of the fiscal years 1989 and 1990, to make grants for projects described in subsection (a)(4).

"(7) POST-LEGAL ADOPTION SERVICES PROJECTS.—Of the amounts appropriated under paragraph (1), the Secretary may use not in excess of $2,000,000 in fiscal year 1988, and $2,500,000 in each of the fiscal years 1989 and 1990, to make grants for projects described in subsection (a)(5).".

(b) CONFORMING AMENDMENT.—Effective October 1, 1988, section 504 (42 U.S.C. 290aa-3) is amended—

(1) by striking out subsections (f) and (g); and

(2) by redesignating subsections (h) and (i) as subsections (f) and (g), respectively.

(c) YOUTH SUICIDE.—The second sentence of section 504(g) (as redesignated by subsection (b)) is amended by striking out "age of 21" and inserting in lieu thereof "age of 24".

(d) MENTAL HEALTH SERVICES FOR THE HOMELESS.—Part C of title V is amended—

(1) in section 521(a) (42 U.S.C. 290cc-21(a)), by striking out "1987 and 1988" and inserting in lieu thereof "1987 through 1990"; and

(2) in section 535 (42 U.S.C. 290cc-35), by striking out "for fiscal year 1988" and inserting in lieu thereof "for each of the fiscal years 1988 through 1990".

(e) SERVICE RESEARCH OF COMMUNITY MENTAL HEALTH PROGRAMS.—Part A of title V (42 U.S.C. 290aa et seq.) is amended by inserting after section 504A (as added by subsection (a)) the following new section:

"SEC. 504B. SERVICE RESEARCH OF COMMUNITY MENTAL HEALTH PROGRAMS.

"(a) IN GENERAL.—The Secretary, acting through the Director of the National Institute of Mental Health, shall develop and maintain an ongoing program of service research of community mental health programs and services, that shall include the evaluation of—

"(1) the most effective methods of providing community-based prevention, treatment, and rehabilitation services for mentally ill individuals of all ages; and

"(2) the comparative cost-effectiveness of different methods of treatment utilized in community mental health programs.

"(b) FUNDING PROGRAM.—Research and evaluation required in subsection (a) may be carried out through grants, contracts, or cooperative agreements.

"(c) PLAN.—Not later than 6 months after the date of enactment of the Comprehensive Alcohol Abuse, Drug Abuse, and Mental Health Amendments Act of 1987, the Director shall submit to the Committee on Energy and Commerce of the House of Representatives and the Committee on Labor and Human Resources of the Senate a plan for the program to be established under subsection (a).".

SEC. 203. OFFICE OF SUBSTANCE ABUSE PREVENTION; DEMONSTRATION PROJECTS FOR HIGH RISK YOUTHS.

(a) AUTHORIZATION OF APPROPRIATIONS.—Section 1921(a) (42 U.S.C. 300x-14(a)) is amended—

(1) by inserting "(1)" after the subsection designation; and

(2) by adding at the end thereof the following new paragraph:

"(2) Of the amounts appropriated in section 1911 for each of the fiscal years 1988 through 1991—

"(A) $12,000,000, shall be available to carry out sections 508; and

"(B) to carry out section 509A—

"(i) $29,500,000 shall be available in fiscal year 1988;

"(ii) $34,500,000 shall be available in fiscal year 1989;

"(iii) $36,500,000 shall be available in fiscal year 1990; and

"(iv) $38,500,000 shall be available in fiscal year 1991.".

(b) FETAL ALCOHOL INFORMATION PROGRAM.—Part A of title V is amended by adding after section 509D the following new section:

"SEC. 509E. FETAL ALCOHOL INFORMATION PROGRAM.

"(a) ESTABLISHMENT.—The Director of the Institute on Alcohol Abuse and Alcoholism shall establish and implement a public information program on fetal alcohol syndrome to educate the public concerning the syndrome and to reduce the incidence of the occurrence of the syndrome.

"(b) REPORT.—Not later than 24 months after the date of enactment of the Comprehensive Alcohol Abuse, Drug Abuse, and Mental Health Amendments Act of 1987, the Director of the Institute shall submit to the Committee on Energy and Commerce of the House of Representatives and to the Committee on Labor and Human Resources of the Senate a report that describes the effect of the informational program established under subsection (a).".

SEC. 204. NATIONAL INSTITUTE ON ALCOHOL ABUSE AND ALCOHOLISM.

Section 513 (42 U.S.C. 290bb-1b) is amended—

(1) in subsection (a), by inserting before the period ", $83,000,000 for fiscal year 1988, and such sums as are necessary for each of the fiscal years 1989 through 1991"; and

(2) in subsection (b), by adding at the end thereof the following new sentence: "There are authorized to be appropriated $15,000,000 in fiscal year 1988, $20,000,000 in fiscal year 1989, $25,000,000 in fiscal year 1990, and such sums as are necessary in 1991, to carry out section 512(c).".

SEC. 205. NATIONAL INSTITUTE ON DRUG ABUSE.

Section 517 (42 U.S.C. 290cc-2) is amended to read as follows:

"SEC. 517. AUTHORIZATION OF APPROPRIATIONS.

"(a) There are authorized to be appropriated to carry out this subpart, $183,000,000 for fiscal year 1988, and such sums as are necessary for each of the fiscal years 1989 through 1991. There are authorized to be appropriated $10,000,000 in fiscal year 1988, $10,000,000 in fiscal years 1989 and 1990, and such sums as are necessary in fiscal year 1991, to carry out section 516.".

SEC. 206. RESEARCH ON ALCOHOL AND DRUG ABUSE TREATMENT PROGRAMS.

Part D of title V (42 U.S.C. 290dd et seq.) is amended by adding at the end thereof the following new subpart:

"Subpart 3—Provisions Relating to Both Alcohol and Drug Abuse

"SEC. 550. SERVICES RESEARCH ON ALCOHOL AND DRUG ABUSE TREATMENT PROGRAMS.

"(a) In General.—The Secretary, acting through the Directors of the National Institute on Alcohol Abuse and Alcoholism, and the National Institute on Drug Abuse, shall develop and maintain an ongoing program of research and evaluation of alcohol and drug abuse treatment programs to—

"(1) determine the most effective methods of treatment for alcohol and drug abuse; and

"(2) assess the comparative efficacy and cost-effectiveness of different methods of alcohol and drug abuse treatment.

"(b) Funding Program.—Research and evaluation required in subsection (a) may be carried out through grants, contracts, or cooperative agreements.

"(c) Plan.—Not later than 6 months after the date of enactment of the Comprehensive Alcohol Abuse, Drug Abuse, and Mental Health Amendments Act of 1988, the Secretary shall submit to the Committee on Energy and Commerce of the House of Representatives and the Committee on Labor and Human Resources of the Senate a plan for the program to be established under subsection (a).".

SEC. 207. AUTHORIZATION OF APPROPRIATIONS.

(a) Technical Assistance.—Section 541 (42 U.S.C. 290dd) is amended by adding at the end thereof the following new subsection:

"(c) There are authorized to be appropriated in each of the fiscal years 1988 through 1991, $15,000,000 to carry out this section and section 1920A(1).".

(b) Data Collection.—Section 509D (as added in section 104 of this Act) is amended by adding at the end thereof the following new subsection:

"(c) Appropriations.—

"(1) 1988.—There is authorized to be appropriated in fiscal year 1988, $9,000,000 to be used by the National Institute of Mental Health, the National Institute on Alcohol Abuse and Alcoholism, and the National Institute on Drug Abuse, to carry out this section.

"(2) Subsequent years.—There is authorized to be appropriated in each of the fiscal years 1989 through 1991, $12,000,000 to be used by the National Institute of Mental Health, and $12,000,000 to be used by the National Institute on Alcohol Abuse and Alcoholism, and the National Institute on Drug Abuse, to carry out this section.".

TITLE III—INSTITUTE OF MEDICINE

SEC. 301. STUDY BY THE INSTITUTE OF MEDICINE.

(a) Study.—The Secretary of Health and Human Services shall contract with the Institute of Medicine of the National Academy of Sciences to conduct a study concerning the effective and appropriate

treatment, rehabilitation, and continuing care of persons suffering from severe and disabling mental illnesses.

(b) Report.—Not later than 18 months after the date of the signing of the contract with the Institute of Medicine, the Secretary of Health and Human Services shall submit to the Committee of Energy and Commerce of the House of Representatives and the Committee of Labor and Human Resources of the Senate a report of the results of the study conducted under subsection (1).

(c) Authorization of Appropriations.—There is authorized to be appropriated $1,000,000 in fiscal year 1989 to carry out this section.

TITLE IV—MISCELLANEOUS

SEC. 401. ESTABLISHMENT OF THE OFFICE OF ASSOCIATE DIRECTOR FOR SPECIAL POPULATIONS.

(a) National Institute on Alcohol Abuse and Alcoholism.—Section 502 of the Public Health Service Act is amended by adding at the end thereof the following new subsection:

"(e)(1) The Director shall designate an Associate Director for Special Populations.

"(2) The Secretary, acting through the Associate Director for Special Populations, shall—

"(A) develop and coordinate prevention, treatment, research, and administrative policies and programs to assure increased emphasis on the needs of women and minorities for the prevention and treatment of alcoholism and alcohol abuse and related problems;

"(B) support programs and projects relating to the delivery of services to women and minorities for the prevention and treatment of alcoholism and alcohol abuse and related problems, including demonstration programs and projects;

"(C) develop a plan to increase the representation of women and minorities in service delivery and manpower programs for the prevention and treatment of alcoholism and alcohol abuse and related problems;

"(D) support programs of basic and applied social and behavioral research on the problems of women and minorities relating to alcoholism and alcohol abuse;

"(E) study the effects of discrimination by institutions against alcoholics and alcohol abusers;

"(F) develop systems to assist women and minority individuals who are alcoholics or alcohol abusers in adapting to, and coping with, the effects of discrimination;

"(G) support and develop research, demonstration, and training programs designed to eliminate institutional discrimination against alcoholics and alcohol abusers; and

"(H) provide increased emphasis on the concerns of women and minorities in training programs, service delivery programs, and research activities of the Institute.".

(b) National Institute on Drug Abuse.—Section 503 of such Act is amended by adding at the end thereof the following new subsection:

"(e)(1) The Director shall designate an Associate Director for Special Populations.

"(2) The Secretary, acting through the Associate Director for Special Populations, shall—

"(A) develop and coordinate prevention, treatment, research, and administrative policies and programs to assure increased emphasis on the needs of women and minorities for the prevention and treatment of drug abuse and related problems;

"(B) support programs and projects relating to the delivery of services to women and minorities for the prevention and treatment of drug abuse and related problems, including demonstration programs and projects;

"(C) develop a plan to increase the representation of women and minorities in service delivery and manpower programs for the prevention and treatment of drug abuse and related problems;

"(D) support programs of basic and applied social and behavioral research on the problems of women and minorities relating to drug abuse;

"(E) study the effects of discrimination by institutions against drug abusers;

"(F) develop systems to assist women and minority individuals who are drug abusers in adapting to, and coping with, the effects of discrimination;

"(G) support and develop research, demonstration, and training programs designed to eliminate institutional discrimination against drug abusers; and

"(H) provide increased emphasis on the concerns of women and minorities in training programs, service delivery programs, and research activities of the Institute.".

SEC. 402. EFFECTIVE DATE.

This Act and the amendments made by this Act shall become effective on October 1, 1988, or on the date of the enactment of this Act, whichever occurs later.

V. COMMITTEE VIEWS

The Committee's bill, the Comprehensive Alcohol Abuse, Drug Abuse and Mental Health Amendments of 1988, S. 1943, reforms and extends the current programs under the Public Health Service Act to combat alcoholism, drug addiction and mental illness.

The bill was the result of an extremely extensive process of consultation among the Committee, major interest groups, and experts involved with these issues. The consultation process included solicitation and presentation of opinions and data to the Committee, as well as numerous drafts and redrafts circulated to concerned parties and culminated in a staff hearing on the bill at which all relevant groups were invited to present their views. Indeed, although formal hearings were not deemed necessary and were not requested by members of the Committee, the consultation process described above resulted in a more detailed and elaborate examination of every aspect of the bill than is typical of many reauthorizations.

The resulting bill reflects this extended process of consultation and improves the current federal partnership and commitment to alcohol and drug abuse and mental health services. The ADMS Block authority is expanded significantly, from the 1988 appropriated level of $643 million to a 1989 authorization level of $745 million. This expanded funding, including funds under the Antidrug Abuse Act of 1987, recognizes the critical importance of expanding resources to prevent and treat alcholism, drug addiction and mental illness. Our society pays a high human and economic price for current failures to adequately meet these needs. The authorizations for the research programs conducted by NIDA and NIAAA are also expanded significantly.

SECTION 103—DISTRIBUTION FORMULA FOR THE BLOCK GRANT

The distribution formula for the block grant has been made more equitable. A problem that arose from the previous block grant structure established in 1981 was the pattern established of distribution of funds among states. Because the allocation of block grants was based on project grant funding in 1980 and 1981, there has been little relationship between the block grant funding levels and the relative need of residents of various states for services. As a result, per capita funding for services varies widely. For example, the nine states with the most favorable allocations receive two and a half times as much per capita as the eighteen states with the least favorable allocations.

Amendments to the block grant formula in 1984 were designed to address this problem, but the revised formula, in effect, applied only if the annual appropriation to the block grant exceeded $490 million, and only to the portion of the block grant above this level. Since appropriations have not increased significantly since 1984, there has been little improvement in the equity of block grant distributions as the result of this formula change.

This legislation establishes a new distribution formula based on need for services as measured by demographic characteristics of the population and the fiscal capacity of the state. To reduce the negative impact of abrupt and sweeping changes in state allocations, the first $335 million in block grant funding will continue to be allocated on the basis of the old formula.

The Committee also wished to protect small states in which the Federal grant funds may be an especially critical component of total state activities in the substance abuse and mental health area. Accordingly, the revised formula establishes a small state minimum of $7 million. To prevent this small state minimum resulting in a windfall for some small states, the amount a state's funding could rise as a result of the small state minimum is limited to five percent above the 1987 base in 1989. In subsequent years, small state allocations would rise at the same rate as the overall block grant appropriation.

In some geographic areas the full range of data required to allocate funds under the new formula may not be available. In such areas the Committee expects the Secretary to use analogous alternative measures, such as the use of per capita personal income for per capita taxable resources in areas where the latter measure is not available.

The new grant programs for substance abuse treatment established under the Antidrug Abuse Amendments of 1987 are folded into the block grant under the Committee's bill, beginning in 1989.

Alcohol and drug prevention and treatment services for women

The Committee's bill includes a provision to address the needs of women with alcohol and other drug problems. It continues the women's set-aside of the ADMS block grant which was enacted in 1984 and required that states spend 5 percent of their ADMS block grant allocations to increase services for women with alcohol and other drug problems by expanding existing prevention and treatment services and developing new programs. The bill encourages states to continue programs previously established under this provision.

The set-aside has been a major contribution to the development of services for women with alcohol and drug problems. In May 1986, the National Council on Alcoholism conducted a study which monitored the implementation of the women's set-aside of the ADMS block grant. The findings of their report were based on a survey to which 45 states and 3 jurisdictions responded and field visits in 8 states in different regions of the country with different characteristics. The NCA study found that the set-aside was responsible for the establishment of the very first services for women in many areas. Almost all states made a genuine attempt to comply with the spirit of the legislation. In many states the response was comprehensive and the effects on the availability of programs and services for women impressive.

Providing childcare in outpatient or inpatient drug and alcohol treatment programs is one example of how funds available through the set-aside have been used to meet the special needs of women. The absence of childcare services for women seeking treatment is one finding of Woman to Woman, a national alcohol awareness and education program for women, operated by the Association of Junior Leagues in collaboration with the Allstate Insurance Company. In more than eighty different communities local Woman to Woman collaboration are examining the impact of alcohol on women's seeking treatment. Many projects have found that despite the fact that women overwhelmingly are the primary caretakers for children, childcare generally is not available either in outpatient or inpatient drug and alcohol treatment programs.

The Committee supports the continuation of the set-aside and sees it as critical in order for these programs to establish themselves and develop ongoing mechanisms for support. The Committee recommends that states use the set-aside to continue services.

The Committee wishes to provide the States the greatest flexibility in designing treatment and prevention services and programs for women and therefore does not specify in statute the range of services expected to be provided with grants received under this program. However, the Committee anticipates that at least some of the services provided with these grants would include the following:

The continuation and development of discrete services for women alcoholics and drug addicts in the following components of treatment: inpatient, outpatient, halfway house, and extended care;

The continuation and development of programs which provide residential and therapeutic care for women alcoholics and drug addicts and their children;

The continuation and development of programs which provide access to vocational and educational services including counseling and training for women alcoholics and drug addicts who are returning to the labor force or entering it for the first time;

The continuation and development of incentives for alcohol and drug abuse personnel to create diversionary programs for women alcoholics and drug addicts in the criminal justice system;

The continuation and development of programs which address subpopulations of women alcoholics and drug addicts.

SECTION 103 (C) 14—NEW SERVICES

Despite state efforts to initiate new services, there continues to be inadequate funding for innovative community services to meet the needs of seriously mentally ill persons and other populations experiencing serious problems and for whom mental health services have proven effective.

The Committee wishes to assure that the Federal effort embodied in the block grant is targeted on the most critical needs. Therefore, the bill reforms significantly the mental health portions of the block grant and requires that 55 percent of the block grant funds be shifted to new programs by 1991.

The project grant funds that were folded into the block in 1981 were used to start new community mental health centers for underserved populations. The funds were time-limited, and were not meant to keep funding the same centers forever. Since the block grant was created, the Federal funds have been largely frozen in place. This legislation assures that Federal funds will be used to maximum advantage by targeting them on unmet needs and the development of new programs. Since block grant funds comprise a very small proportion of total state mental health expenditures, the Committee believes that the most appropriate role for the block grant funds is to stimulate new activities.

SECTION 103(d) (14)—ALLOCATIONS FOR CHILDREN

One of the most important mental health priorities should be meeting the mental health problems of children and youth, who are severely underserved by existing programs. A recent Office of Technology Assessment report was the most recent of many identifying the mental health needs of children as among the problems that have been most neglected by the current mental health system. The legislation requires that at least 10 percent of mental health funds under the block grant be spent to meet children's mental health needs. While the Committee does not wish to unduly limit state flexibility under the block grant authority, it believes that a requirement to spend 10 percent of block grant funds on children and youth is not unduly burdensome and is an appropriate response to this high priority need.

SECTION 104—DATA COLLECTION

Additional data also needs to be collected on the medical treatment needs and services necessary for those HIV infected persons and AIDS victims who are served by drug treatment programs.

SECTION 106—BLOCK GRANT FOR PREVENTION OF AIDS AMONG IV DRUG ABUSERS

The legislation establishes a new block grant program designed to reduce the spread of AIDS among intravenous drug abusers. The President's Commission on AIDS has identified the problem of AIDS in the addict population as one of the highest priorities for a comprehensive war on this dread disease. Tragically, drug abusers wishing to cure their afflictions are often unable to find treatment opportunities, despite the high priority our society should be placing not only on preventing and treating drug addiction but on reducing the spread of AIDS. The Committee intends that the new block grant program will help contribute to meeting this high priority need by providing additional treatment resources to help addicts cure their addiction as well as assisting states with the education and prevention programs necessary to reduce the spread of AIDS among those who continue to be addicted and among their sex partners and the children they bear.

SECTION 108—DEFINITION OF SERIOUS MENTAL ILLNESS

In keeping with changes in nomenclature in the mental health field, the bill substitutes the term "serious mental illness" for the term "chronic mental illness" used in current law. The Committee is aware that many States have eliminated the label chronic mental illness and substituted others, such as severe or serious mental illness. To assist in implementation of this and related Federal legislation, the Committee directs the Director of the National Institute of Mental Health to consult with State Departments of Mental Health, service providers, mental health researchers, associations of professionals, family members, consumers, citizen advocates and others to clarify the definition of "serious mental illness" and to issue guidelines which address, at a minimum, the criteria associated with diagnosis, level of functioning/disability, and duration/persistence.

SECTION 202(a)—EXPANDED MENTAL HEALTH DEMONSTRATION AUTHORITIES

The Committee recognizes that there are a whole series of mental health needs that require special attention and are not well addressed by current federal, state, and private programs. Accordingly, the bill establishes a set of new demonstration authorities to begin the process of addressing some of the most pressing mental health priorities. These include prevention programs, programs to disseminate information about the availability of effective treatment for depressive illnesses affecting millions of Americans, programs to prevent youth suicide, programs to meet the special mental health needs of rural areas, programs to meet the mental health needs of elderly Americans, and prevention and service projects relating to sex offenses.

Prevention

Prevention research has clearly demonstrated that certain individuals are statistically at significant risk of developing mental and emotional disturbances. The purpose of this authority is to develop the means to translate these new research findings into practice through a series of demonstration programs to test various delivery systems for intervening with appropriate mental health and social support services to prevent or ameliorate more serious disabilities in later years.

It is the Committees' intention that grants include prevention services to populations with the greatest risk of developing mental or emotional illnesses, including but not limited to displaced workers, young children, adolescents, adopted children, and abused children and children of mentally ill parents.

Programs funded through these demonstrations should be comprehensive, and include training for providers of service, technical assistance to providers of preventive services and development of cooperative programs which coordinate services from other human service delivery systems with those of the mental health system. Grants should include evaluation components, unless some other mechanism is intended for evaluation.

Rural residents projects

It is the Committee's intention that grants for rural resident projects include planning, coordination, and improvement of community mental health services for rural residents and for the conduct of research concerning such services for rural residents. Such programs should be coordinated with the office of Rural Health Policy.

Suicide prevention projects

It is the Committees' intention that grants for suicide prevention projects be made for effective planning and coordination among community service systems for suicide prevention services for youth at risk; and projects that develop programs to prevent youth suicide using the best available research.

Depressive disorders

It is the Committee's intention that grants be made to improve the recognition, assessment, treatment, and clinical management of depressive disorders through educational activities that focus on the general public, primary care providers and mental health providers. Eligible projects should include developing educational materials and programs for physicians and other professionals on the recognition, assessment, and treatment of depressive disorders; public education strategies to organize targetted educational efforts; worksite programs that increase the public's awareness of depressive disorders and their costs to industry; and the establishment of national telephone information services.

Post-legal adoptive services

It is the Committee's intention that grants for the provision of post-legal adoption counseling services be made available to States, political subdivisions of States, and to private, non-profit agencies, including mental health agencies, licensed child welfare and adoption agencies and adoptive parents groups. Further, the Committee intends that 10% of the appropriated funds be granted for the purposes of training staff to improve the provision of post legal adoption counseling services and for the conduct of research regarding the most effective models for providing and financing such services.

Elderly individuals

It is the Committee's intention that grants be made to provide mental health services to elderly individuals. Projects should provide training to physicians and other health and mental health professionals in the treatment of mental disorders of the elderly; community education to increase public awareness of prevalence, symptoms and treatment of mental disorders among the elderly; and the provision of treatment services to the elderly in setting where elderly individuals reside. Highest priority should be given to projects in areas with large concentrations of the elderly.

Sex offenders

It is the Committee's intent that grants be made to provide prevention services for sex offenders. Projects should provide prevention and treatment services for sexually abused children and sex offenders who pose an increased risk to others; educational material; workshops; training programs for professionals; coordination among preventive mental health services providers; and, evaluation research on these projects.

Clarification of demonstration authority

The mental health services demonstration authority under Section 504 is a demonstration authority, to improve the planning and coordination of mental health services and to bring new service delivery mechanisms into practice across the nation. It is also necessary to support these demonstrations with ongoing technical assistance and services research targetted to the questions which arise in connection with the delivery of such demonstrations.

In making revisions to the demonstration authority, the Committee has retained the broad authority for NIMH to provide demonstrations, technical assistance and targetted service system research. The Committee does not intend, however, that this authority be used to support general service systems research. Under Section 202(e) the Committee has clarified that such services research should be conducted under a separate authority. Funds appropriated under this demonstration authority should be used primarily for services demonstrations, and any services research should be directly concerned with the study and/or evaluation of the demonstrations and be in support of the existing demonstration initiatives.

SECTION 202(d)—BLOCK GRANT FOR MENTAL HEALTH SERVICES FOR THE HOMELESS

The legislation extends, for an additional two years, the special mental health block grant program for the homeless mentally ill, one of the most needy populations in our society. The Committee believes that homelessness continues to be a critical problem in our society, and that the seriously mentally ill are one of the groups most afflicted by this problem. Extending this program for an additional two years will provide sufficient time for the Congress to evaluate the effectiveness of this special block grant program.

SECTION 202(e)—SERVICES RESEARCH

Section 202(e) establishes an authority for services research on community mental health, and describes in detail the services research functions of the National Institute of Mental Health. The Committee is concerned that this very critical area of research has been underfunded in the past. NIMH reports that $7 million was spent on services research in fiscal year 1987, and in fiscal year 1988 the Appropriations Committees directed that an additional $3 million be allocated for these purposes.

An effective and efficient service delivery system depends upon building a body of services research on but not limited to such issues as: the cost-effectiveness of different service delivery approaches, the impact of various financing approaches on services, which types of housing and residential services are most effective and for which populations, and comparative studies of day treatment services for seriously emotionally disturbed children compared to residential services.

The Committee expects that with this new language, the Institute will make long-term commitment to significantly increasing its investment in services research, so as to complement the advances expected in the next decade in brain research.

SECTION 203—OFFICE OF SUBSTANCE ABUSE PREVENTION; DEMONSTRATION PROJECTS FOR HIGH RISK YOUTH

The Office of Substance Abuse Prevention (OSAP), established by the Anti-Drug Abuse Act of 1986, P.L. 99-570, functions as the focal point for our Nation's alcohol and drug abuse prevention activities. The Committee encourages OSAP to enhance community assistance and technical activities, the operation of the Alcohol and Drug Abuse Clearinghouse, and the newly developed grant evaluations projects. There is an ongoing need to focus on programs targeted to reach parents who are alcohol and drug abusers, runaway youth and children of substance abusers. Because abuse of "gateway drugs" (nicotine, alcohol, cannabis) is often a precursor to the use of drugs by needles, OSAP must rapidly accelerate efforts with parents, youth and children to prevent the further increase of addictive/abusive behaviors in order to stem the spread of AIDS. To the maximum extent practicable, the Committee intends that a proportion of the funds appropriated for the high risk youth demonstration projects be awarded for new grant applications each year.

SECTION 206—RESEARCH ON ALCOHOL AND DRUG ABUSE TREATMENT PROGRAMS

Section 206 establishes an authority for services research and evaluation of alcohol and drug abuse treatment programs to be conducted by the National Institute on Drug Abuse and Alcoholism and the National Institute on Drug Abuse. As the Institutes plan and implement this authority the Committee encourages them to work in close collaboration with the State Alcohol and Drug Agencies. The Committee believes that there is an urgent and continuing need to expand both services and financing research relating to the delivery of alcohol and drug abuse services. An effective and efficient service delivery system depends upon our building a body of services research on such issues as: the cost-effectiveness of different service delivery approaches, the impact of various funding approaches on services, which types of outpatient and residential services are most effective and for which populations. The efficacy and impact of alternative financing mechanisms also needs to be studied.

In addition to grants and contracts with State agencies and other appropriate applicants, the Institute are encouraged to utilize the cooperative agreement mechanism in order to solidify the partnership relationship between the Federal and State governments.

SECTION 301—INSTITUTE OF MEDICINE TO CONDUCT A STUDY OF TREATMENT ALTERNATIVES FOR MENTALLY ILL INDIVIDUALS

There is considerable controversy about whether current state involuntary commitment statutes are adequate to provide treatment for certain mentally ill individuals. Section 301 provides for a contract with The National Academy of Sciences, acting through the Institute of Medicine, to study and report to Congress on (1) the range of effective services which can serve as alternatives to involuntary commitment, (2) data on the use and effectiveness of alternative state laws regarding involuntary commitment procedures, and (3) the long-term effectiveness of voluntary and involuntary treatment of mentally ill individuals. The Committee intends that the Secretary of HHS shall conclude such a contract no later than 6 months after the approval of an appropriation for this purpose.

Such report shall include, consistent with the availability of resources and professional judgement of the Institute of Medicine—

(1) An analysis of available data on the number of persons now subjected to the involuntary civil commitment process, together with descriptive information such as diagnosis, demographics, individual's problem being addressed by involuntary civil commitment (medical v. social), avenue to civil commitment (emergency or petition), outcome of process (was the individual committed or not), and other available information. Sources of such data may include the state mental health authority, state court administrator, hospital emergency rooms, police records, and other agencies and organizations involved in the civil commitment process.

(2) An assessment of the mental health organized systems, including community residential living arrangements and support services as well as treatment programs, which can be utilized as non-coercive alternatives to involuntary commitment, including an

assessment of the effectiveness of specific interventions which are noncoercive alternatives to involuntary civil commitment (such as screening, emergency crisis services, outreach, community residential emergency services, etc.) in engaging individuals with serious mental illnesses and in meeting their therapeutic goals, including a description of the individuals for whom such interventions are effective.

(3) An analysis of available information on the effectiveness of coercive treatment through involuntary inpatient and outpatient commitment in meeting the therapeutic goals for the individual subjected to involuntary civil commitment procedures, including a description of the individuals for whom such procedures are effective, and a description of short-term and long-term effects of coercive treatment and an assessment of the cost effectiveness of involuntary civil commitment.

(4) Description of trends at state and local levels in the involuntary civil commitment process, including an assessment of organizational and fiscal incentives for such trends, costs of policy change, impact on state appropriations, and impact on hospital and community services.

(5) A summary of national, state, and local research and data needs for effective policy making with regard to involuntary civil commitment, and recommendations on federal action with respect to such research and data collection.

(6) Recommendations on state and local actions with respect to policies concerning coercive treatment and alternative non-coercive procedures.

Mental health services data collection and evaluation

There is a critical shortage of data on mental health services in general, and of evaluation of how states of ADM block grant fund in particular. The Committee is concerned that the data base is eroding to the point where decisions on the allocation of resources will be undermined. NIMH is no longer collecting and publishing the range of statistical information the field needs. Increased resources need to be devoted to collecting timely, comprehensive and consistent data on both the needs of unserved and underserved populations and the utilization of resources, including specifically federal resources, by persons served by the mental health system.

Committee comments on genetic research in the study of alcoholism, the need for a future plan for the study of alcoholism, and the study of alkyl nitrites mandated under Anti-drug Abuse Act

Genetic research.—The Committee is encouraged by reports of progress in research on a probable genetic basis for alcoholism. The Committee understands that several scientific conferences have been held on this subject, and that researchers who are leaders and experts in the field believe the time is propitious for the National Institute on Alcohol and Alcohol Abuse to support a more concentrated research program on genetics. We therefore urge the Secretary to move forward with the development of a multidisciplinary, collaborative study which would refine and standardize criteria used for the identification and classification of alcoholism and its subtypes; identify and characterize individual, genetic, and environmental risk factors for alcoholism; identify and characterize phenotypic and genotypic markers of alcoholism risk; seek to identify specific genes associated with risk; and examine genotype-environment inter actions which alter risk. This effort would be in addition to current service levels in NIAAA's existing research and training programs.

Research directions.—Because of the variety of research efforts underway in alcoholism and alcohol abuse, and because of the rapidity of the development of knowledge in this field, the Committee believes it is important for NIAAA to provide Congress and the public with an assessment of research directions which would be appropriate and desirable in the future. The Committee therefore directs the Institute, acting through its National Advisory Council the Alcohol, Drug and Mental Health Advisory Board and the State alcohol agencies, to develop, prepare, and submit to this Committee within 18 months after enactment of this Act, a report which includes a description of the avenues of research which should be undertaken over the next ten years, the areas of research that should be emphasized, training needs, and the projected annual costs of such endeavors.

Alkyl nitrates study.—As part of the Anti-Drug Abuse Act of 1986 (Section 4015), Congress requested that NIDA, through HHS, conduct a study of alkyl nitrites to determine the extent and public risk associated with alkyl nitrite use. For this study, NIDA analyzed data from three ongoing nationwide substance abuse surveys to ascertain trends in alkyl nitrite abuse in the general population and in specific sub-populations. In addition, NIDA conducted a technical review workshop on March 31, 1987 with leading authorities in the area of alkyl nitrites. The study reviewed such topics as the extent of nitrite inhalant use among adolescents, homosexual men, and intravenous drug abusers; the results of acute toxicity studies in animals; and a review of the epidemiological associations of nitrites with Kaposi's sarcoma in AIDS. Based on the surveys and the workshop, the HHS Report to Congress concluded that nitrites are not a causal factor in AIDS infection. There was consideration during the workshop whether use of large amounts of nitrite inhalants might be co-factor in Kaposi's sarcoma, but the Report stated that medical studies failed to confirm any such association. The Report also found that there was a 21% decrease in inhalant use between 1979 and 1985 but a slight increase in use by high school students in 1985-86. Because of the lack of significant health risks associated with nitrite use, and the fact that less than 3% of the population have ever used it, the HHS Report suggested no Federal legislation and recommended that alkyl nitrites not be treated as drugs. Based on these recommendations, the Committee concludes that no further federal action as to alkyl nitrites is warranted. However, in view of the Report's finding of somewhat increased use by high school students, the Committee recommends that the States consider prohibiting access by minors to alkyl nitrite products.

VI. COMMITTEE ACTION

S. 1943 was introduced on December 11, 1987, and referred to the Committee on Labor and Human Resources. This bill was considered before the Committee on March 3, 1988, and reported favorably with amendment by unanimous vote.

VII. VOTES IN COMMITTEE

S. 1943 was reported favorably with an amendment in the nature of a substitute by the Committee on Labor and Human Resources on March 3, 1988, by unanimous vote.

VIII. COST ESTIMATE

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, March 23, 1988.

Hon. EDWARD M. KENNEDY,
Chairman, Committee on Labor and Human Resources,
U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the attached cost estimate for S. 1943, the Comprehensive Alcohol Abuse, Drug Abuse, and Mental Health Amendments Act of 1988, as ordered reported by the Senate Committee on Labor and Human Resources on March 3, 1988.

If you wish further details on this estimate, please call me or have your staff contact Lori Housman (226-2820).

Sincerely,

JAMES L. BLUM,
Acting Director.

CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

1. Bill number: S. 1943.

2. Bill title: Comprehensive Alcohol [illegible]use, Drug Abuse, and Mental Health Amendments Act of 1988.

3. Bill status: As ordered reported by the Senate Committee on Labor and Human Resources, March 3, 1988.

4. Bill purpose: The purpose of this bill is to revise and extend through 1991 the authority of the Administrator of the Alcohol, Drug Abuse, and Mental Health Administration (ADAMHA), including revising and extending the program of block grants for the provision of services with respect to mental health and alcohol and drug abuse.

5. Estimated cost to the Federal Government:

[By fiscal years, in millions of dollars]

Estimated authorization levels	1988	1989	1990	1991	1992	1993
ADAMHA block grant	63.2	791.5	868.0	952.0		
Data collection	9.0	24.0	24.0	24.0		
Special alcohol abuse and drug abuse programs	15.1					
Mental health service grants and demonstration projects	57.5	60.4	63.4			
Technical assistance	15.0	15.0	15.0	15.0		
Study by the Institute of Medicine		1.0				
Acquired immunodeficiency syndrome grants	75.0	78.1	81.3	84.6		
Community mental health services for the homeless		12.0	12.5			
Alcohol abuse and alcoholism research	4.4	86.4	90.0	93.6		
Alcohol abuse and alcoholism demonstration projects	15.0	20.0	25.0	26.0		
Drug abuse research	52.2	190.5	198.6	206.4		
Drug abuse demonstration projects	10.0	10.0	10.0	10.4		
GAO report	.5					
Office of the Associate Director for Special Populations	.3	.3	.4	.4	.4	.4
Bill total:						
Estimated authorization level	317.2	1,289.2	1,388.2	1,412.4	.4	.4
Estimated outlays	233.3	1,006.9	1,336.5	1,404.9	393.5	32.4

The costs of this bill would fall within budget function 550.

Basis of estimate: S. 1943 would reauthorize the block grant program for mental health and alcohol and drug abuse services, research, and demonstration projects. The bill would also establish several activities including a new Acquired Immunodeficiency Syndrome (AIDS) block grant to reduce the transmission of AIDS among intravenous drug users. The bill would also change the name of the Alcohol, Drug Abuse, and Mental Health Administration to the National Institute of Alcohol, Drug Abuse, and Mental Health.

In fiscal year 1988, S. 1943 would authorize additional funding over the 1988 appropriation level for the ADAMHA Block Grant, special alcohol abuse and drug abuse programs, alcohol abuse and alcoholism research, and drug abuse research. For these activities, the following table shows the current 1988 appropriations, the 1988 authorization levels proposed in S. 1943, and the proposed authorization increase over the 1988 appropriation. Since Congress has already enacted appropriations for fiscal year 1988, additional appropriations action would be necessary for 1988 funding to be increased for these four programs. Additional appropriations action would also be required to fund the new programs authorized in this bill for fiscal year 1988.

[In millions of dollars]

Activity	1988 appropriation	1988 proposed authorization	Authorization increase over appropriation
ADAMHA block grant	487.3	550.5	63.2
Special alcohol and drug abuse programs	155.9	171.0	15.1
Alcohol abuse and alcoholism research	78.6	83.0	4.4
Drug abuse research	130.8	183.0	52.2

Authorization levels for fiscal years 1988 through 1991 were stated in the bill for the block grant program. The bill would reauthorize the ADAMHA Block Grant and amend the state allotment formula. S. 1943 would also require the National Institute of Mental Health (NIMH), the National Institute on Alcohol Abuse and Alcoholism (NIAAA), and the National Institute on Drug Abuse (NIDA) to collect numerical and demographic data on public and nonprofit treatment programs and activities. In fiscal year 1988, $9.0 million would be authorized for data collection by all three institutes. For fiscal years 1989 through 1991, $12.0 million would be authorized for NIMH and $12.0 million for both NIAAA and NIDA.

Authorization levels were stated in S. 1943 for mental health services grants and demonstrations and for technical assistance to state mental health programs. Additionally, S. 1943 would authorize $1.0 million in fiscal year 1989 to fund a study on the treatment, rehabilitation, and continuing care of the mentally ill by the Institute of Medicine. S. 1943 would provide an additional $15.1 million over the 1988 appropriation level for special alcohol abuse and drug abuse programs.

S. 1943 would provide funding for a new AIDS block grant program, alcohol abuse and alcoholism research, alcohol abuse and alcoholism demonstration projects, drug abuse research, and drug abuse demonstration projects in fiscal years 1988 through 1991. For these programs, S. 1943 states an authorization level for fiscal year 1988 and such sums as necessary for fiscal years 1989 through 1991. The authorization amounts for fiscal years 1989 through 1991 were estimated by increasing the 1988 authorization by the appropriate inflator. S. 1943 would authorize such sums as may be necessary for community mental health services for the Homeless in fiscal years 1989 and 1990; this authorization level was estimated by increasing the 1988 appropriation by the appropriate inflator.

Under the block grant program, states must submit a comprehensive mental health service plan to the Secretary of Health and Human Services (HHS) outlining services to be provided for chronically mentally ill individuals. This bill would require the General Accounting Office (GAO) to evaluate the status of implementation and assess the state plans by the end of fiscal year.

IX. REGULATORY IMPACT STATEMENT

This bill makes a number of changes in the block grant authority. These changes will not result in significant additional regulatory burden.

X. SECTION-BY-SECTION ANALYSIS

The bill provides that the Act may be cited as the "Comprehensive Alcohol Abuse, Drug Abuse, and Mental Health Amendments Act of 1987."

Section 2(a) of the bill states the purposes of the Act regarding alcohol and drug abuse, which are to:

(1) continue the existing partnership between Federal and State government in developing, maintaining, and improving

comprehensive, community-based alcohol and drug abuse program;

(2) provide financial and technical assistance to States and communities to help develop and maintain prevention services to reduce the number and scope of alcohol and drug abuse problems;

(3) assist and encourage States in initiating and expanding prevention and treatment services for underserved populations;

(4) prevent the spread of AIDS by assisting States in identifying and providing services to intravenous drug users and others at risk of contracting AIDS;

(5) increase public understanding concerning the extent of alcohol and drug abuse in the U.S. and the need for appropriate treatment services through—

(A) the expansion of data collection activities; and

(B) the support of research on comparative cost and efficacy of existing alcohol and drug abuse prevention and treatment services.

Section 2(b) states the purposes of the Act concerning mental health, which are to:

(1) encourage the development and provision of community mental health services by the States;

(2) encourage the development of a comprehensive community mental health system within each State;

(3) encourage the implementation of new and expanded community mental health services;

(4) encourage States to provide community mental health services in the least restrictive appropriate environment, and to involve families of individuals undergoing mental health treatment in developing and providing such services;

(5) encourage States to ensure respect for the rights and needs of recipients of mental health services and to involve such recipients in developing and providing such services;

(6) foster interagency coordination and integration among a broad range of human service providers, support groups, and advocates to ensure that mental health, rehabilitation, vocational, educational, health, and residential services are available to individuals who need such services;

(7) provide Federal assistance to expand community mental health services within each State; and

(8) increase public understanding concerning the extent of mental illness in the U.S. and the need for appropriate treatment services through—

(A) the expansion of data collection activities; and

(B) the support of research on the comparative cost and efficacy of existing mental health services.

Section 3 provides that, except as otherwise provided, references to an amendment or repeal shall be considered to be made to a section or provision of the PHS Act.

TITLE I—MENTAL HEALTH AND ALCOHOL AND DRUG ABUSE BLOCK GRANTS

Section 101 of the bill amends section 1911 of the PHS Act to extend the authorization for the Alcohol and Drug Abuse and Mental Health Services block grants through FY 1991 at appropriation levels of $550.5 million for FY 1988, $791.5 million for FY 1989, $868 million for FY 1990, and $952 million for FY 1991.

Section 102(a) amends section 1920D of the Act, concerning enforcement of requirements for development of State comprehensive mental health service plans, by providing for a revised penalty for failure to comply with such requirements. The amendment provides that the amount that a State's allotment under the block grant may be reduced for failure to comply with such requirements is the total amount that the State is permitted to expend for administrative expenses under section 1915(d) for FY 1986. (Under section 1915(d) a State is permitted to spend not more than 10 percent of its block grant allotment for administrative expenses.) The amendment also provides that if in the Secretary's judgment the State is making a good faith effort to comply, the Secretary may assess the State a penalty that is less than the maximum penalty, but in no event less than 2 percent of the amount the State is permitted to expend for administrative expenses.

Section 102(b) requires the Comptroller General of the General Accounting Office to prepare and submit, by not later than September 30, 1990, a report that:

(1) evaluates the status of the implementation of section 1920C for the PHS Act requiring State Mental Health Services Plans; and

(2) includes an assessment of—

(A) the number of States that have submitted such plans;

(B) The number of States that have implemented their plans;

(C) the efficacy of the implemented plans in achieving effective, organized community-based systems of care for seriously mentally ill individuals;

(D) recommendations on additional legislation necessary to facilitate the achievement of the goals of this Act.

Section 103(a) amends section 1912 of the PHS Act to authorize the Secretary to use not to exceed 1 percent of the amounts appropriated for the block grant in each of the FY 1988 through 1991 to conduct evaluations, and prepare reports for submission to Congress, concerning the functioning and effectiveness of block grant programs.

Section 103(b) amends section 1913 of the Act concerning allotments under the block grant. Section 1919(a) as amended provides for reservations from the appropriations for the block grant for allocation to territories and possessions, Indian tribes or tribal organizations, and for initial State allotments. Subsection (a)(1) of section 1913 as amended requires the Secretary to reserve not to exceed 1.5 percent of the amounts appropriated for the block in each of the fiscal years 1989 through 1991 for payments to Guam, American Samoa, the Virgin Islands, the Trust Territory of the Pacific Islands, the Commonwealth of Puerto Rico, and the Northern Mariana Islands. Each such territory or possession shall receive an amount that bears the same ratio to the amount reserved as its population bears to the total population of all such territories and possessions.

Subsection (a)(2) of section 1913 as amended requires the Secretary to provide block grant funds directly to Indian tribes or tribal organizations, if a request for such funding is received by the Secretary, and the Secretary determines that such tribes or organizations would be better served by direct grants. An amount shall be reserved from the allotment which would otherwise be allotted to the State in which the tribe or organization is located and be in the same proportion as the amount allotted to the tribe or organization in FY 1987 was to the total amount allotted to the State under the block.

Subsection (a)(3) of section 1913 as amended requires the Secretary to reserve, out of the amount appropriated for the block grant in FY 1989 through FY 1991, $335 million in each year unless amounts appropriated are less than that amount. This amount will be used for payments to States based on the FY 1984 proportionate share of each State as determined under this section as the section existed before the enactment of this amendment.

Section 1913(b) as amended describes the formula for the allocation to the States of the funds remaining after the reservations authorized in subsection (a). It provides that, from the remainder of the appropriation for the block grant for each of FY 1989 through 1991, the Secretary shall allot to each State an amount equal to the product obtained by multiplying the State need by the State fiscal capacity. The "State need" of a State is defined as the amount equal to the sum of the following three amounts:

(1) the amount equal to the product of .4 multiplied by the sum of—

(A) the amount equal to the product of .5 multiplied by the total population of the State residing in urbanized areas, as determined by the Secretary;

(B) the amount equal to the product of .3 multiplied by the total population of the State between the ages of 18 and 24 years; and

(C) the amount equal to the product of .2 multiplied by the total population of the State between the ages of 25 and 64 years;

(2) the amount equal to the product of .2 multiplied by the total population of the State between the ages of 25 and 64 years; and

(3) the amount equal to the product of .4 multiplied by the sum of—

(A) the amount equal to the product of .4 multiplied by the total population of the State between the ages of 18 and 24 years; and

(B) the amount equal to the product of .6 multiplied by the total population of the State between the ages of 25 and 44 years.

The "fiscal capacity" of a State for the purposes of this allotment formula is defined as an amount equal to the sum of:

(1) one; minus

(2) the percentage equal to the product of 20 percent multiplied by the amount equal to the quotient obtained by dividing—

(A) the total per person in need taxable resources of a State; by

(B) the total per person in need taxable resources for all States.

The "total per person in need taxable resources of a State" is defined as an amount equal to the average total taxable resources per person in need of the State, as determined by the Secretary of the Treasury based on State gross product as reported by the Bureau of Economic Analysis, for the period of the 3 most recently completed calendar years ending before the date on which an application is submitted for block grant funds under this authority. The "total per person in need taxable resources of all States" is defined as an amount equal to the average total taxable resources per person in need in all States, as determined by the Secretary of the Treasury based on State gross product, as reported by the Bureau of Economic Analysis, for the period of the 3 most recently completed calendar years ending before the date on which an application is submitted for block grant funds under this authority.

Section 1913(b) as amended provides for a minimum allotment for each State under the block grant. Except as provided in the special rule described below, no State shall receive an allotment of less than $7 million, or 105 percent of the combined amount the State received in FY 1987 under section 1913 (as such section existed before the enactment of this legislation), and for emergency treatment purposes under section 1921(b)(1), whichever is less. A special rule provides that in the case of each of the fiscal years 1990 and 1991, amounts paid to States under the minimum allotment provision shall increase by the same percentage as the remainder of the sums appropriated for the block grant for purposes of allotments increases as compared to such sums available for allotment in FY 1989.

Section 1913(c) as amended requires the Secretary, except as provided in subsection (b)(3) concerning the determination of "fiscal capacity," to obtain from each appropriate Federal agency the most recent data and information necessary to determine the allotments to States.

Section 1913(d) as amended provides for reallotment of funds under the block grant. It authorizes the reallocation of any portion of a State's allotment that the Secretary determines is not required to carry out a State plan approved under section 1916 in the period that the allotment is made available. Such funds will be reallocated to other States in proportion to the original allotment to such States. The amount that another State is entitled to under such a reallotment shall be reduced to the extent that such amount exceeds the sum the Secretary estimates will be used in that other State to carry out a State plan approved under section 1916. The amount of such reduction shall be similarly reallotted among States in which the proportionate amount is not reduced. Any amount reallotted to a State under this provision shall be deemed to be part of the original State allotment under section 1913(b) for that year.

Section 103(c) of the bill amends section 1915(a)(2) of the PHS to authorize the use of allotments under the block grant for planning, developing, and providing community mental health services and related support services, with—

(A) emphasis on the initiation and provisions of new and expanded services that contribute to the development of a comprehensive community mental health system as described in section 1916(e) as amended below; and

(B) continued support for community mental health center services funded with Federal block grants prior to 1989 to the extent consistent with section 1916(c)(15) as amended below, and within the State Mental Health Planning Council priorities and the State Comprehensive Mental Health Plan.

Section 103(c) of the bill also repeals section 1915(c) of the Act which permits individual States to transfer funds between this block grant and other health block grants.

Section 103(d) of the bill amends section 1916 of the Act concerning application and description of activities under the block grant. Section 1916(a) of the Act as amended provides for application by States for an allotment under the block. Subsection (b) provides for public hearings by each State legislature on the use and distribution of block grant funds.

Subsection (c) describes the required contents of each State application for block grant funds. As part of the annual application for block grant funds, each State's chief executive officer shall certify the following:

(1) The State agrees to use funds allotted to it in accordance with this part.

(2) The State agrees, to the extent practicable, that grants made to community mental health centers and other entities in the State shall be used for the provisions of comprehensive mental health services—

(A) principally to individuals residing in a defined geographic area (referred to as a "mental health service area"), with special attention to individuals who are seriously mentally ill;

(B) within the limits of its capacity, to any individuals residing or employed in a mental health service area in the State regardless of ability to pay for services, current or past health condition, or any other factor; and

(C) that are available and accessible promptly, as appropriate and in a manner that preserves human dignity and assures continuity and high quality care.

(3) The State agrees to require that a community mental health center in the State receiving a grant before FY 1989 from the State under this authority provide—

(A) outpatient services, including specialized services for children, seriously mentally ill individuals, and residents of a service area in the State who have been discharged from inpatient treatment at a mental health facility;

(B) 24-hour-a-day emergency care services;

(C) day treatment or partial hospitalization services, or psychosocial rehabilitation services;

(D) screening for patients being considered for admission to State mental health facilities to determine the appropriateness of such admission, and

(E) consultation and education services.

(4) The State agrees to establish reasonable—

(A) criteria to evaluate the effective performance of entities that receive funds from the State under this authority; and

(B) procedures for procedural and substantive independent State review of the failure by the State to provide funds for any such entity.

The State agrees to use its allotted funds under this authority to carry out mental health and alcohol and drug abuse activities prescribed by section 1915(a) of the Act. Relative amounts provided for mental health activities and for drug and alcohol abuse activities shall not exceed an amount that bears the same relationship to the funds allotted to the State for that year as the funds that would have been received by the State and entities in the State in FY 1987 for such activities under the block grant authority and the authority for substance abuse treatment grants to the States under section 1921(b)(1) as such authorities existed before the enactment of this legislation. A State may transfer not more than 10 percent of allotment for mental health activities to be used for alcohol and drug abuse activities and 10 percent of its percent of its allotment for alcohol and drug abuse activities to be used for mental health activities.

(6) Each State agrees, in any fiscal year, to use not less than 35 percent of alcohol and drug abuse allotment for alcoholism and alcohol abuse activities and not less than 35 percent for drug abuse activities.

(7) The State agrees to permit and cooperate with Federal investigations undertaken under section 1918 of the Act.

(8) The State has identified populations, areas, and localities in the State with a need for mental health, alcohol abuse and alcoholism, and drug abuse services.

(9) Federal funds made available under this authority will be used to supplement and increase the level of State, local, and other non-Federal funds and not supplant such funds.

(10) The State has in effect a system to protect from inappropriate disclosure patient records maintained by the State in connection with an activity funded under this authority or by any entity receiving payments from the State allotment under this authority.

(11) The State shall develop and implement arrangements to locate jobs for employees affected adversely by State mental health authority actions to emphasize outpatient mental health services.

(12) The State shall use not less than 5 percent of its allotment to provide alcohol and drug abuse services designed specifically for women. Such services implemented under section

1916(c)(14) of the Act as it existed before the enactment of this legislation may be continued under this new provision.

(13) The State agrees to use not less than 10 percent of its mental health allotment to provide services and programs for seriously emotionally disturbed children and adolescents. The State shall use not less than 50 percent of the amounts set aside for this purpose by the end of FY 1990 to provide new or expanded services and programs that were not available prior to October 1, 1988.

(14) The State agrees to use not less than 55 percent of its mental health allotment under this authority for FY 1991 to develop and provide community mental health services and programs not available on October 1, 1988, and shall provide funds for each such service only for a limited period of time, as determined by the State. Funds expended under this part for new services developed between October 1, 1984, and October 1, 1988, may be treated as a new service under this paragraph.

Subsection (d) of section 1916 as amended requires the preparation of a description of the intended use of payments it receives under this authority. The State's chief executive officer shall prepare such a description and furnish it to the Secretary with the annual application for payment and include information on the programs and activities to be supported and services to be provided. The description shall be made public in the State to facilitate comments. It shall be revised as necessary throughout the year to reflect substantial changes in programs and activities assisted by the State under this authority.

Subsection (e) of section 1916 as amended requires a State, in order to receive payments under this program, to agree that it will facilitate coordination among institutions offering mental health services in the State to establish a State comprehensive community mental health system that:

(1) provides for the development of a continuum of community mental health services within identified geographic areas;

(2) ensures that mental health services offered by the system are accessible to individuals of all ages in the State who need services provided by the system;

(3) provides mental health services according to the particular needs of the individual for whom the services are sought, including developing plans for care and providing services in the context most appropriate to the age, sex, and cultural background of the individual;

(4) encourages individuals receiving mental health services to be independent, and encourages the families of such individuals to be supportive in the attempts of the individual to achieve the optimal level of independence;

(5) ensures that mental health services are provided in the least restrictive appropriate environment;

(6) ensures that the mental health services provided by the system meet applicable professional standards for the provision of such services; and

(7) emphasizes services for seriously mentally ill individuals who—

(A) are homeless;

(B) have been institutionalized or are at risk of institutionalization;

(C) are children or youth with serious emotional disturbances;

(D) are elderly;

(E) are racial and ethnic minorities;

(F) are women;

(G) are people living in poverty; or

(H) are residents of rural areas.

States may use funds provided under this program to develop plans to implement this subsection.

Subsection (f) of section 1916 as amended directs the chief executive officer of each State to establish a State mental health services planning council to serve as an advocate; and to monitor, review, and evaluate, at least annually, the allocation and adequacy and mental health srvices in the State. The council shall be composed of residents of the State, including at least one representative of each of the following:

(1) the principal State agencies that have jurisdiction over—

(A) mental health, education, vocational rehabilitation, children's services, criminal justice, housing, and social services; and

(B) development of the State plan submitted under title XIX of the Social Security Act;

(2) public and private entities concerned with mental health services and related support services;

(3) seriously mentally ill adults who are receiving (or have received) mental health services and their families or the families of seriously emotionally disturbed children;

(4) minorities; and

(5) organizations functioning as advocates for the mentally ill and for mental health services.

Not less than 50 percent of council members shall be individuals who are not State employees or mental health services providers. The council may assist the State in preparing the State comprehensive mental health services plan required by section 1920C of the Act.

Subsection (g) of section 1916 as amended requires the Secretary to report annually to the House Committee on Energy and Commerce and the Senate Committee on Labor and Human Resources on the new services initiated and provided under section 1916(c)(13) and (14) as amended by this bill. The report shall include a detailed description of such programs and services, an assessment of the adequacy of such programs and services in meeting the alcohol and drug abuse treatment needs of women and mental health needs of severely disturbed children and adolescents, and such other information, including legislative and administrative recommendations, as the Secretary considers appropriate.

Subsection (d) of section 103 of the bill provides that the amendments made by the section shall become effective on October 1, 1988.

Section 104 of the bill amends title V of the PHS by inserting a new section 509D on data collection. The section requires the Directors of NIMH, NIAAA, and NIDA in cooperation with State alcohol, drug, and mental agencies and respective national organizations to collect data on:

(1) the number and variety of public and nonprofit private treatment programs available for mental health and alcohol and drug abuse;

(2) the number and demographic characteristics of individuals receiving treatment through such programs;

(3) the type of care received by these individuals; and

(4) other programs and activities as may be appropriate.

Every 2 years the Secretary shall submit to the House Committee on Energy and Commerce and the Senate Committee on Labor and Human Resources a report describing:

(1) the scope of drug and alcohol and mental health services being provided by public and private nonprofit entities;

(2) the identification of alcohol and drug and mental health services shortage areas and of gaps in services;

(3) the number of alcohol and drug abuse and mental health treatment settings;

(4) the number and characteristics of individuals served; and

(5) other information considered appropriate by the Secretary.

Section 105 of the bill amends section 1920E of the Act to require the Secretary, acting through the Director of NIMH, to develop and make available from time to time, a model plan for a community-based system of care for seriously mentally ill individuals. The plan shall be developed in consultation with State mental health directors, mental health services providers, seriously mentally ill individuals, advocates for such individuals, and other interested parties.

Section 106 of the bill amends part B of title XIX of the Act to add a new subpart 3 concerning AIDS grants. Under this new subpart, a new section 1920F authorizes appropriations of $75 million for FY 1988, and sums as are appropriate for each of FY 1989 through 1991, to make grants to public and nonprofit private entities for projects and programs that seek to reduce the transmission of the AIDS virus in and by users of illegal intravenous drugs. An allotment to a State under this authority shall not be made unless the State has submitted an information and assurances section as required in section 1920H below, and such information and assurances section has been approved by the Secretary, acting through the Director of NIDA in consultation with the Director of CDC. Section 106 of the bill authorizes a new section 1920G of the Act providing for allotments under the new AIDS grant program. Under this authority, the Secretary shall reserve $100,000 of the amount appropriated under section 1920F in each fiscal year for payments to Guam, American Samoa, the Virgin Islands, the Trust Territory of the Pacific Islands, and the Northern Mariana Islands, to be alloted in accordance with their respective needs. The remainder shall be allotted to the States, including Puerto Rico, based on each State's proportional share of the number of intravenous drug use related cases of AIDS as reported by CDC, but in no case shall a State receive less than $150,000. Section 1920G also requires the Secretary to obtain from each appropriate Federal agency the most recent data and information, for the 12-month period preceding the determination of the allotment, necessary to determine the allotments for FY 1988. For subsequent years, the Secretary shall obtain the most recent data and information for the 2-year period preceding the determination of the allotment.

Section 106 authorizes a new section 1920H of the Act requiring each State, in order to receive an allotment under the AIDS grant program, to submit as part of the ADMS block grant application required under section 1916, an information and assurances section. The section shall contain:

(1) such information as the Directors of NIDA and CDC shall require;

(2) a description of the programs that will be implemented or improved with the grant assistance from the AIDS program and the manner in which such programs will be coordinated with other public and private programs and activities;

(3) assurances that the State, in preparing any statement under this section, will consult with local governments and public and private entities involved in the provision of services under this subpart;

(4) a description of the manner in which the State will evaluate programs and activities conducted with assistance under this subpart;

(5) assurances that the State will prepare and submit a report on the results of such evaluations;

(6) assurances that the State will prepare and submit reports containing data necessary to monitor relevant epidemiological changes; and

(7) assurances that assistance provided to the State under this subpart will supplement and not supplant any State or local expenditures for treatment, outreach, prevention, and educational efforts targeted for users of illegal intravenous drugs at risk of contracting AIDS.

Section 106 authorizes a new section 1920I of the Act which describes how States may use their allotments under the new AIDS program. Such amounts may be used to establish programs that provide:

(1) treatment for users of illegal intravenous drugs that have contracted, or at risk of contracting, the AIDS virus;

(2) outreach services to illegal intravenous drug users;

(3) aggressive efforts to prevent the transmission of the AIDS virus among illegal intravenous drug users; and

(4) training and organizational efforts necessary to accomplish the above.

Section 106 authorizes a new section 1920J of the Act describing how payments to States under this authority will be made. Each FY the Secretary shall make payments to each State that has complied with section 1920H. Any amount paid to a State and remaining unobligated at the end of the year shall remain available to the State for the next FY. If in the judgment of the Secretary, a State is unlikely to use funds that are available to it during a FY for the purposes prescribed under section 1920I, the Secretary may withhold the amount otherwise available to that State in a subsequent FY. Section 1920J provides for reduction in payments to a State for supplies, equipment, and expenses of a Federal officer or employee detailed to the State under this authority. It also provides for reallocation of funds appropriated under this authority which are not otherwise allotted to States because one or more States have either not submitted a satisfactory application or have notified the Secretary that they do not intend to use their full allotment, or because some State allotments are offset or repaid.

Section 1920K of the Act as authorized by section 106 defines the term "illegal intravenous drug" to include any controlled substance as defined in section 102(6) of the Controlled Substance Act.

Section 107 of the bill amends the authority in section 1921 for special alcohol abuse and drug abuse programs created by the Anti-Drug Abuse Act of 1986 to authorize appropriations of $171 million for FY 1988. Section 107 further authorizes the Secretary to make allotments and payments to States under this authority for FY 1988 at the same time that the Secretary makes allotments and payments under the block grant authority.

Section 108 of the bill makes conforming amendments to section 1917 of the Act. It also amends part B of title XIX to replace the term "chronically mentally ill" each place it appears with the term "seriously mentally ill." Finally, section 108 repeals section 1922 of the Act authorizing transfer of funds to the Veterans Administration.

TITLE II—NATIONAL INSTITUTES OF ALCOHOL, DRUG ABUSE AND MENTAL HEALTH

Section 201(a) of the bill amends section 501 of the Act, concerning the general operation of the Alcohol, Drug Abuse, and Mental Health Administration (ADAMHA), by:

(1) adding reference to the Office of Substance Abuse Prevention;

(2) changing the requirement for a report to Congress on prevention activities of ADAMHA from annually to not less than once every 3 years;

(3) amending subsection (f) to establish procedures for responding to information respecting scientific "misconduct" in connection with projects funded under this title, rather than scientific "fraud," as the law currently provides;

(4) authorizing the Administrator to accept voluntary and uncompensated services; and authorizing the Administrator to conduct and support research training for which fellowship support is not provided under section 487 of the Act (National Research Service Awards), and that is not residency training of physicians or other health professionals.

Section 201(b) of the bill changes the name of ADAMHA to the National Institutes of Alcohol, Drug Abuse, and Mental Health amends sections of titles II, III, IV, V, and XIX to strike out "Alcohol, Drug Abuse, and Mental Health Administration" and "Administration" every time it appears and inserting in place "National Institutes of Alcohol, Drug Abuse, and Mental Health."

Section 202(a) of the bill amends title V of the Act to insert a new section 504A authorizing mental health demonstration projects. The new section 504(a) authorizes the Secretary, acting through the Director of NIMH, to make grants to States, political subdivisions, and private nonprofit entities for:

(1) mental health services demonstration projects (including self-help services) for the planning, coordination, and improvement of community services for seriously mentally ill individuals, seriously emotionally disturbed children and adolescents, elderly individuals (with special emphasis on areas with high concentrations of the elderly), residents of rural areas, and homeless chronically mentally ill individuals;

(2) demonstration projects relating to the provision of prevention services to individuals who are at risk of developing mental illness;

(3) demonstration projects for prevention of youth suicide;

(4) demonstration projects for improvement of the recognition, assessment, treatment, and clinical management of depressive disorders;

(5) demonstration projects for the improvement of post-legal adoption mental health and counseling services; and

(6) demonstration projects for treatment and prevention relating to sex offenses.

Section 504A(b) authorizes the Secretary to make such a grant for not more than 5 consecutive 1-year periods, except that a waiver may be made if the Secretary determines that extenuating circumstances merit such a waiver.

Section 504A(c) provides for administrative expenses under this authority. In general the Secretary shall not make a grant under paragraphs (2) through (6) unless the applicant agrees that not more than 10 percent of the grant shall be used for administrative expenses. Not more than 25 percent of a grant made to a State under subsection (a)(1) for seriously mentally ill individuals, seriously emotionally disturbed children and adolescents, elderly individuals, residents of rural areas, and homeless chronically mentally ill individuals in a FY may be used by the State for administrative expenses in carrying out the grant.

Section 504A(d)(1) authorizes appropriations for this authority of $57.7 million for FY 1988; $60.4 for FY 1989, of which at least 18 percent shall be used for demonstration projects for homeless individuals; and $63.4 million for FY 1990, of which at least 18 percent shall be used for homeless demonstration projects and such sums as necessary in FY 1991, of which at least 18% shall be used for homeless demonstration projects. Section 504A (2) through (7) directs the Secretary to use specified amounts of the appropriation for demonstration projects authorized in subsection (a), as follows:

(1) not in excess of $5 million in each of FY 1988 through 1990 to make grants for rural residence projects;

(2) not in excess of $4.5 million in each of FY 1988 through 1990 for grants for demonstration projects for mental health services for elderly individuals;

(3) not in excess of $5 million in each of FY 1988 through 1990 to make grants for prevention demonstration projects;

(4) not in excess of $5 million in each of FY 1988 through 1990 for suicide prevention projects;

(5) not in excess of $2 million in FY 1988 and $2.5 million in each of FY 1989 and 1990 for demonstration projects on depressive disorders; and

(6) not is excess of $2 million in FY 1988 and $2.5 million in each of FY 1989 and 1990 for demonstration for the improvement of post-legal adoption services.

Section 202(b) of the bill repeals the existing authority in section 504(f) of the Act for community support programs and redesignates the other subsections of section 504 respectively.

Section 202(c) of the bill amends subsection (g) of section 504 (as redesignated above) concerning youth suicide to provide that information is developed and published on the subject of suicide of individuals under the age of 24, rather than individuals under the age of 21, as the subsection currently provides.

Section 202(d) of the bill amends sections 521(a) and 535 of the Act of extend the authority for the block grant for mental health services for the homeless through FY 1990.

Section 202(e) of the bill amends title V of the Act by inserting a new section 504B, Service Research of Community Mental Health Programs. Under this authority, the Secretary, acting through the Director of NIMH, shall develop and maintain an ongoing program of service research of community mental health programs and services, including the evaluation of the most effective methods of providing community-based prevention, treatment, and rehabilitation services for mentally ill individuals of all ages, and the comparative cost-effectiveness of different methods of treatment utilized in community mental health programs. Such research and evaluation may be carried out through grants, contracts, or cooperative agreements. The Director is required, not later than 6 months after the enactment of this bill, to submit to the House Committee on Energy and Commerce and the Senate Committee on Labor and Human Resources a plan for the program to be established under this section.

Section 203(a) of the bill amends section 508, 509A, and 1921 of the Act to extend the authorities for the Office for Substance Abuse Prevention (section 508) and the Model Projects for High-Risk Youth (section 509A) through FY 1991, as follows:

(A) for OSAP, $12 million for each year; and (B) for model projects for high-risk youth,

(i) $29.5 million for FY 1988,
(ii) $34.5 million for FY 1989,
(iii) $36.5 million for FY 1990, and
(iv) $38.5 million for FY 1991.

Section 203(b) of the bill amends title V of the Act by adding a new section 590D to establish a Fetal Alcohol Information Program. The Director of NIAAA shall establish and implement a public information program to educate the public concerning fetal alcohol syndrome and to reduce the incidence of the occurrence of the syndrome. The Director of NIAAA shall submit, not later than 24 months after the enactment of this bill, a report to the House Committee on Energy and Commerce and the Senate Committee on Labor and Human Resources describing the effect of the informational program.

Section 204 of the bill amends section 513 of the Act to extend the authority for research on alcoholism and alcohol abuse and community demonstration projects for alcohol and drug abuse treatment of homeless individuals through FY 1991, as follows:

(1) for research, $83 million for FY 1988 and such sums as are necessary for FY 1989 through 1991; and

(2) for demonstration projects for homeless, $15 million in FY 1988, $20 million in FY 1989, $25 million in FY 1990, and such sums as are necessary in FY 1991.

Section 205 of the bill amends section 517 of the Act to extend the authority for drug abuse research under section 515 and drug abuse demonstration projects under section 516 through FY 1991, as follows:

(1) for research, $183 million for FY 1988 and such sums as are necessary for FY 1989 through 1991; and

(2) for demonstration projects, $10 million in FY 1988, $10 million in FY 1989 and 1990, and such sums as are necessary in FY 1991.

Section 206 of the bill amends part D of title V of the Act by adding a new subpart 3 concerning provisions relating to both alcohol and drug abuse. Under this new subpart, a new section 550 directs the Secretary, acting through the Directors of NIAAA and NIDA, to develop and maintain an ongoing program of research and evaluation of alcohol and drug abuse treatment programs to determine the most effective methods of treating alcohol and drug abuse and assess the comparative efficacy and cost-effectiveness of different methods of alcohol and drug abuse treatment. Such research and evaluation may be carried out through grants, contracts, or cooperative agreements. The Secretary shall, not later than 6 months after the enactment of this bill, submit to the House Committee on Energy and Commerce and the Senate Committee on Labor and Human Resources a plan for such a program.

Section 207(a) of the bill amends section 541 of the Act to authorize appropriations of $15 million in each of FY 1988 through 1991 to carry out technical assistance authorized in sections 541 and 1920A.

Section 207(b) of the bill amends section 509D of the Act (as added in section 104 of this bill) requiring data collection to authorize an appropriation of $9 million in FY 1988 for NIMH, NIAAA, and NIDA to carry out such requirements, and, for each of FY 1989 through 1991, $12 million for NIMH and $12 million for NIAAA and NIDA.

TITLE III—INSTITUTE OF MEDICINE

Section 301 of the bill directs the Secretary to contract with the Institute of Medicine (IOM) of the National Academy of Sciences to conduct a study concerning the effective and appropriate treatment, rehabilitation, and continuing care of persons suffering from severe and disabling mental illnesses. The Secretary, not later than 18 months after the signing of the contract with the IOM, shall submit to the House Committee on Energy and Commerce and the Senate Committee on Labor and Human Resources a report on results of the study. The section authorizes appropriation of $1 million FY 1989 to carry out the study.

TITLE IV—MISCELLANEOUS

Section 401(a) of the bill amends section 502 of the Act to authorize the designation, in NIAAA, of an Associate Director for Special Populations, who shall:

(1) develop and coordinate prevention, treatment, research, and administrative policies and programs to assure increased emphasis on the needs of women and minorities for the prevention and treatment of alcoholism and alcohol abuse and related problems;

(2) support programs and projects relating to the delivery of services to women and minorities for the prevention and treatment of such problems, including demonstration programs and projects;

(3) develop a plan to increase the representation of women and minorities in service delivery and manpower programs for the prevention and treatment of alcoholism and alcohol abuse and related problems;

(4) support programs of basic and applied social and behavioral research on the problems of women and minorities relating to alcoholism and alcohol abuse;

(5) study the effects of discrimination by institutions against alcoholics and alcohol abusers;

(6) develop systems to assist women and minority individuals who are alcoholics or alcohol abusers in adapting to, and coping with, the effects of discrimination;

(7) support and develop research, demonstration, and training programs designed to eliminate institutional discrimination against alcoholics and alcohol abusers; and

(8) provide increased emphasis on the concerns of women and minorities in training programs, service delivery programs, and research activities of NIAAA.

Section 401(b) of the bill amends section 503 of the Act to provide for the designation, in NIDA, of an Associate Director for Special Populations, who shall perform the same functions concerning drug abuse and drug abusers:

(1) develop and coordinate prevention, treatment, research, and administrative policies and programs to assure increased emphasis on the needs of women and minorities for the prevention and treatment of drug abuse and related problems;

(2) support programs and projects relating to the delivery of services to women and minorities for the prevention and treatment of drug abuse, including demonstration programs and projects;

(3) develop a plan to increase the representation of women and minorities in service delivery and manpower programs for the prevention and treatment of drug abuse and related problems;

(4) support programs of basic and applied social and behavioral research on the problems of women and minorities relating to drug abuse;

(5) study the effects of discrimination by institutions against drug abusers;

(6) develop systems to assist women and minority individuals who are drug abusers in adapting to, and coping with, the effects of discrimination;

(7) support and develop research, demonstration, and training programs designed to eliminate institutional discrimination against drug abusers; and

(8) provide increased emphasis on the concerns of women and minorities in training programs, service delivery programs, and research activities of NIDA.

Section 402 of the bill provides that the effective date of this legislation and the amendments it makes shall be October 1, 1987, or on the date of its enactment, whichever occurs later.

XI. ADDITIONAL VIEWS OF SENATOR DAN QUAYLE ON S. 1943, REAUTHORIZATION OF THE ALCOHOL, DRUG ABUSE, AND MENTAL HEALTH BLOCK GRANT

Generally, I would like to indicate my support for reauthorizing the alcohol, drug abuse, and mental health block grant. There is no question that continued federal support to states for these services should remain a national priority. I also must indicate my deep appreciation for the Chair's work in making the new block grant formula as fair as possible for Indiana. Senator Kennedy and his staff have worked hard to find a more equitable way to distribute funding to all states for these important services.

S. 1943 makes these formula and other fundamental changes in the way states must use funds under the ADAMHA block grant. I have indicated on several occasions recently my concern over the absence of public hearings and other public discussion of health-related bills before this committee. The committee's handling of this bill was no exception; no hearings were held and mark-up lasted only a few short seconds. Senators whose states were receiving dramatic cuts in funding under the new formula devised by S. 1943—Indiana in particular—should have been afforded more of an opportunity to scrutinize changes made by this bill.

I am particularly concerned that the ADAMHA block grant is becoming less and less that: this bill sets out further specifications over how states must spend funds. Block grants were created in the first place to allow states the freedom to decide how best to spend its funding.

The original authorization for the ADAMHA block grant (P.L. 97–35) in 1981 specified that states must spend their allotments on community-based mental health and substance abuse services. States also had to follow specific requirements for distributing their funding for drug abuse and alcohol abuse services; specific percentages had to be spent on prevention and early intervention services, and another set amount could not be exceeded for adminsitrative costs.

Later reauthorizations placed further restrictions on how states should use their funds. The 1984 reauthorization (P.L. 98–509) required certain set-asides for alcohol and drug abuse services for women, "new" mental health services for children and adolescents, and "new comprehensive" community mental health programs for underserved areas and populations. The 1985 amendments (P.L. 99–117) further specified new set asides for "new or expanded" alcohol and drug abuse services for women, and "new comprehensive" community mental health services for children and underserved populations.

S. 1943 would perpetuate these set-asides, as well as further specify that for fiscal year 1991, 55 percent of state allotments must be spent on "new services" not available prior to October 1,

1988. Although I appreciate the fact that Chairman Kennedy tried to accommodate my problems with this language by allowing services developed after October 1, 1984 to be treated as new services under the 55 percent requirement, the Indiana Department of Mental Health informs me that they still will have to divert $8 million of their total allotment—around $21 million for FY89—from maintenance of current community mental health services. I have appended to my views a copy of a letter from the Indian Department outlining their problems with the new services requirements.

The committee's views state "that the most appropriate role for the block grant funds is to stimulate new activities." This is a new concept. Historically, pilot and demonstration projects have been used to stimulate and test new program initiatives. I would be very interested to learn if the committee intends to apply this concept to all block grants under its jurisdiction.

On the other hand, I fear that the focus of S. 1943 on new services may be disruptive to state activities. I fail to understand the reasoning behind forcing states with successful mental health programs to spend limited funds on new services when that money would be better spent on consolidating and maintaining current services.

While I appreciate the committee's good intentions with respect to improving important services for special segments of the population, I believe overspecification on the use of funding simply restricts a state's ability to spend money how they see fit. Although the federal government may have the right to oversee how its money is being spent, one set of specifications may not fit the needs of 50 states. I have also appended a letter from Governor Richard Celeste on behalf of the National Governors' Association supporting my views.

Rather than improve the quality of mental health services in Indiana, the new services requirements under S. 1943 may undermine an already successful community-based mental health program. Indiana may simply resort to renaming and restructuring current programs, or making other bogus changes, in order to maintain current services and meet new requirements. In any case, this would be an inefficient use of federal dollars.

I encourage my Senate colleagues to consider these important issues when this measure is brought up for final passage.

STATE OF INDIANA,
DEPARTMENT OF MENTAL HEALTH,
Indianapolis, IN, April 8, 1988.

Hon. DAN QUAYLE,
Hart Building,
Washington, DC.

DEAR SENATOR QUAYLE: Thank you for the opportunity to comment on the proposed provision to the alcohol, drug, and mental health block grant that would require 55% of the funds to be used for new services.

The emphasis of this requirement seems to be the promotion of enhancements in service systems where substantial community service developments have not yet occurred. Indiana has made a substantial commitment to community based programming that has resulted in an annual state expenditure, of $58,000,000 with another $11,000,000 in local (county) dollars expended for these programs. This investment has also included frequent redirection of resources from programs that appeared to be less than effective to more promising endeavors.

The redirection of our $8,000,000 in federal funds would most certainly result in the closing of existing programs merely for the sake of opening new ones. The implication is that this redirection would be backfilled with state dollars. This would amount to a 13% increase in Indiana. With the pressing needs in education, corrections and economic development such an infusion in mental health regardless of merit is not likely.

We would strongly suggest dropping the new service provision in favor of identifying a model system or set of acceptable programs. If a state could demonstrate the existence of such a model or set, this could be used as a method of justifying not requiring the state to adhere to the new service requirement.

This new service requirement seems to directly penalize states for making progress toward the very system now being touted. Thanks again for the opportunity to comment on this provision. Please contact us if we can provide additional information.

Sincerely,

DENNIS R. JONES, M.S.W., M.B.A.,
Mental Health Commissioner.

NATIONAL GOVERNOR'S ASSOCIATION,
Washington, DC, March 25, 1988.

Hon. EDWARD M. KENNEDY,
Chairman, Committee on Labor and Human Resources, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: I write you to express concerns that my colleagues and I have regarding a bill recently passed by your committee, S. 1943, to revise and extend the authority of the alcohol, drug abuse, and mental health block grant. As Governor of Ohio, I have made the treatment of seriously mentally ill persons and substance abusers a top priority in my administration, and as Chairman of the National Governors' Association's work group on servere mental illness, I have worked towards making it a priority for all Governors.

Our concern with your bill is with the proposal to establish two new set asides, one to fund new mental health initiatives and another to fund services for emotionally disturbed children. While these proposals are well intended, they clearly run counter to the philosophy behind the block grants. This block grant, along with others, was established to reduce prescriptive federal requirements in activities that are primarily the responsibility of the states. The states have been quite satisfied with the way the block grant has worked to date, primarily because of the latitude we have been provided in allocating those funds to activities where they were most needed in our individual states.

The proposals in your bill are clearly aimed at moving the program back to being a categorical grant rather than a block grant. The states believe that the current block grant has produced more effective, and efficient management in these program areas. Moving back to a categorical program would unnecessarily tie the states' hands, and prevent us from targeting services is a way that makes sense for each state.

I hope that you will reconsider your proposals, and retain the present structure of the ADAMH block grant. Thank you for your consideration.

Sincerely,

RICHARD F. CELESTE,
Governor,
Vice Chairman, Committee on Human Resources.

DAN QUAYLE.

XII. CHANGES IN EXISTING LAW

In compliance with rule XXVI paragraph 12 of the Standing Rules of the Senate, the following provides a print of the statute or the part or section thereof to be amended or replaced (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

PUBLIC HEALTH SERVICE ACT

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TITLE II—ADMINISTRATION

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ORPHAN PRODUCTS BOARD

SEC. 227. (a) There is established in the Department of Health and Human Services a board for the development of drugs (including biologics) and devices (including diagnostic products) for rare diseases or conditions to be known as the Orphan Products Board. The Board shall be comprised of the Assistant Secretary for Health of the Department of Health and Human Services and representatives, selected by the Secretary, of the Food and Drug Administration, the National Institutes of Health, the Centers for Disease Control, and any other Federal department or agency which the Secretary determines has activities relating to drugs and devices for rare diseases or conditions. The Assistant Secretary for Health shall chair the Board.

(b) The function of the Board shall be to promote the development of drugs and devices for rare diseases or conditions and the coordination among Federal, other public, and private agencies in carrying out their respective functions relating to the development of such articles, such diseases or conditions.

(c) In the case of drugs and rare diseases or conditions the Board shall—

(1) evaluate—

(A) the effect of subchapter B of the Federal Food, Drug, and Cosmetic Act on the development of such drugs, and

(B) the implementation of such subchapter;

(2) evaluate the activities of the National Institutes of Health, and the [Alcohol, Drug Abuse, and the Mental Health Administration] *National Institutes of Alcohol, Drug Abuse, and Mental Health* for the development of drugs for such diseases or conditions,

(3) assure appropriate coordination among the Food and Drug Administration, the National Institutes of Health, the [Alcohol, Drug Abuse, and Mental Health Administration]

National Institutes of Alcohol, Drug Abuse, and Mental Health, and the Centers for Disease Control in the carrying out of their respective functions relating to the development of drugs for such diseases or conditions to assure that the activities of each agency are complementary.

(4) assure appropriate coordination among all interested Federal agencies, manufacturers, and organizations representing patients, in their activities relating to such drugs,

(5) with the consent of the sponsor of a drug for a rare disease or condition exempt under section 505(i) of the Federal Food, Drug, and Cosmetic Act or regulations issued under such section, inform physicians and the public respecting the availability of such drug for such disease or condition and inform physicians and the public respecting the availability of drugs approved under section 505(c) of such Act or licensed under section 351 of this Act for rare diseases or conditions.

(6) seek business entities and others to undertake the sponsorship of drugs for rare diseases or conditions, seek investigators to facilitate the development of such drugs, and seek business entities to participate in the distribution of such drugs, and

(7) recognize the efforts of public and private entities and individuals in seeking the development of drugs for rare diseases or conditions and in developing such drugs.

(d) The Board shall consult with interested persons respecting the activities of the Board under this section and as part of such consultation shall provide the opportunity for the submission of oral views.

(e) The Board shall submit to the Committee on Labor and Human Resources of the Senate and the Committee on Energy and Commerce of the House of Representatives an annual report—

(1) identifying the drugs which have been designated under section 526 of the Federal Food, Drug, and Cosmetic Act for a rare disease or condition.

(2) describing the activities of the Board, and

(3) containing the results of the evaluations carried out by the Board.

The Director of the National Institutes of Health and the Administrator of the [Alcohol, Drug Abuse, and Mental Health Administration] *National Institutes of Alcohol, Drug Abuse, and Mental Health* shall submit to the Board for inclusion in the annual report a report on the rare disease and condition research activities of the Institutes of the National Institutes of Health and the [Alcohol, Drug Abuse, and Mental Health Administration] *National Institutes of Alcohol, Drug Abuse, and Mental Health;* the Secretary of the Treasury shall submit to the Board for inclusion in the annual report a report on the use of the credit against tax provided by section 44H of the Internal Revenue Code of 1954; and the Secretary of Health and Human Services shall submit to the Board for inclusion in the annual report a report on the program of assistance under section 5 of the Orphan Drug Act for the development of drugs for rare diseases and conditions. Each annual report shall be submitted by June 1 of each year for the preceding calendar year.

TITLE III—GENERAL POWERS AND DUTIES OF PUBLIC HEALTH SERVICE

Part A—Research and Investigation

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PUBLIC HEALTH EMERGENCIES

Sec. 319. (a) If the Secretary determines, after consultation with the Director of the National Institutes of Health, the Administrator of the [Alcohol, Drug Abuse, and Mental Health Administration], *National Institutes of Alcohol, Drug Abuse, and Mental Health,* the Commissioner of the Food and Drug Administration, or the Director of the Centers for Disease Control, that—

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TITLE IV—NATIONAL RESEARCH INSTITUTES

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Part F—Awards and Training

NATIONAL RESEARCH SERVICE AWARDS

Sec. 487. (a)(1) The Secretary shall—

(A) provide National Research Service Awards for—

(i) biomedical and behavioral research at the National Institutes of Health and the Alcohol, Drug Abuse, and Mental Health Administration in matters relating to the cause, diagnosis, prevention, and treatment of the diseases or other health problems to which the activities of the National Institutes of Health and Administration are directed;

(ii) training at the National Institutes of Health and at the Administration of individuals to undertake such research;

(iii) biomedical and behavioral research and health services research (including research in primary medical care) at public and nonprofit private entities; and

(iv) pre-doctoral and post-doctoral training at public and private institutions of individuals to undertake biomedical and behavioral research; and

(B) make grants to public and nonprofit private institutions to enable such institutions to make National Research Service Awards for research (and training to undertake biomedical and behavioral research) in the matters described in subparagraph (A)(i) to individuals selected by such institutions.

A reference in this subsection to the National Institutes of Health or the [Alcohol, Drug Abuse, and Mental Health Administration] *National Institutes of Alcohol, Drug Abuse, and Mental Health* shall be considered to include the institutes, agencies, divisions, and bureaus included in the National Institutes of Health or under the Administration, as the case may be.

* * * * * * *

STUDIES RESPECTING BIOMEDICAL AND BEHAVIORAL RESEARCH PERSONNEL

SEC. 489. (a) The Secretary shall, in accordance with subsection (b), arrange for the conduct of a continuing study to—

(1) establish (A) the Nation's overall need for biomedical and behavioral research personnel, (B) the subject areas in which such personnel are needed and the number of such personnel needed in each such area, and (C) the kinds and extent of training which should be provided such personnel;

(2) assess (A) current training programs available for the training of biomedical and behavioral research personnel which are conducted under this Act, at or through national research institutes under the National Institutes of Health and institutes under the [Alcohol, Drug Abuse, and Mental Health Administration] *National Institutes of Alcohol, Drug Abuse, and Mental Health* and (B) other current training programs available for the training of such personnel;

* * * * * * *

TITLE V—ADMINISTRATION AND COORDINATION OF THE NATIONAL INSTITUTE OF MENTAL HEALTH, THE NATIONAL INSTITUTE ON ALCOHOL ABUSE AND ALCOHOLISM, AND THE NATIONAL INSTITUTE ON DRUG ABUSE

[PART A—ADMINISTRATION AND INSTITUTES]

PART A—NATIONAL INSTITUTES OF MENTAL HEALTH, DRUGS, AND ALCOHOL AND INDIVIDUAL INSTITUTES

[ALCOHOL, DRUG ABUSE, AND MENTAL HEALTH ADMINISTRATION]

NATIONAL INSTITUTES OF MENTAL HEALTH, DRUGS, AND ALCOHOL

SEC. 501. (a) The [Alcohol, Drug Abuse, and Mental Health Administration] *National Institutes of Alcohol, Drug Abuse, and Mental Health* is an agency of the Service.

(b) The following entities are agencies of the [Alcohol, Drug Abuse, and Mental Health Administration] *National Institutes of Alcohol, Drug Abuse, and Mental Health.*

(1) The National Institute on Alcohol Abuse and Alcoholism.
(2) The National Institute on Drug Abuse.
(3) The National Institute of Mental Health.
(4) The Office of Substance Abuse Prevention.

(c)(1) The [Alcohol, Drug Abuse, and Mental Health Administration] *National Institutes of Alcohol, Drug Abuse, and Mental Health* shall be headed by an Administrator (hereinafter in this title referred to as the "Administrator") who shall be appointed by the President by and with the advice and consent of the Senate.

* * * * * * *

(e)(1) There shall be in the [Administration] *National Institutes of Alcohol, Drug Abuse, and Mental Health* an Associate Administrator for Prevention to whom the Administrator shall delegate the function of promoting the prevention research programs of the National Institute of Mental Health, the National Institute on Alcohol

Abuse and Alcoholism, and the National Institute on Drug Abuse and coordinating such programs between the Institutes and between the Institutes and other public and private entities.

(2) [The] *Not less than once every 3 years, the* Administrator, acting through the Associate Administrator for Prevention, shall [annually] submit to the Congress a report describing the prevention activities (including preventive medicine and health promotion) undertaken by the [Administration] *National Institutes of Alcohol, Drug Abuse, and Mental Health* and its agencies. The report shall include a detailed statement of the expenditures made for the activities reported on and the personnel used in connection with such activities.

(f) The Administrator shall establish a process for the prompt and appropriate response to information provided the Administrator respecting (1) scientific [fraud] *misconduct* in connection with projects for which funds have been made available under this title, and (2) incidences of violations of the rights of human subjects of research for which funds have been made available under this title. The process shall include procedures for the receiving of reports of such information from recipients of funds under this title and taking appropriate action with respect to such [fraud] *misconduct* and violations.

* * * * * * *

(l) The Administrator may accept voluntary and uncompensated services.

(m) The Administrator may conduct and support research training—

(1) for which fellowship support is not provided under section 487; and

(2) that is not residency training of physicians or other health professionals.

NATIONAL INSTITUTE ON ALCOHOL ABUSE AND ALCOHOLISM

SEC. 502. (a)–(d) * * *

(e)(1) The Director shall designate an Associate Director for Special Populations.

(2) The Secretary, acting through the Associate Director for Special Populations, shall—

(A) develop and coordinate prevention, treatment, research, and administrative policies and programs to assure increased emphasis on the needs of women and minorities for the prevention and treatment of alcoholism and alcohol abuse and related problems;

(B) support programs and projects relating to the delivery of services to women and minorities for the prevention and treatment of alcoholism and alcohol abuse and related problems, including demonstration programs and projects;

(C) develop a plan to increase the representation of women and minorities in service delivery and manpower programs for the prevention and treatment of alcoholism and alcohol abuse and related problems;

(D) support programs of basic and applied social and behavioral research on the problems of women and minorities relating to alcoholism and alcohol abuse;

(E) study the effects of discrimination by institutions against alcoholics and alcohol abusers;

(F) develop systems to assist women and minority individuals who are alcoholics or alcohol abusers in adapting to, and coping with, the effects of discrimination;

(G) support and develop research, demonstration, and training programs designed to eliminate institutional discrimination against alcoholics and alcohol abusers; and

(H) provide increased emphasis on the concerns of women and minorities in training programs, service delivery programs, and research activities of the Institute.

NATIONAL INSTITUTE ON DRUG ABUSE

SEC. 503. (a)–(d) * * *

(e)(1) The Director shall designate an Associate Director for Special Populations.

(2) The Secretary, acting through the Associate Director for Special Populations, shall—

(A) develop and coordinate prevention, treatment, research, and administrative policies and programs to assure increased emphasis on the needs of women and minorities for the prevention and treatment of drug abuse and related problems;

(B) support programs and projects relating to the delivery of services to women and minorities for the prevention and treatment of drug abuse and related problems, including demonstration programs and projects;

(C) develop a plan to increase the representation of women and minorities in service delivery and manpower programs for the prevention and treatment of drug abuse and related problems;

(D) support programs of basic and applied social and behavioral research on the problems of women and minorities relating to drug abuse;

(E) study the effects of discrimination by institutions against drug abusers;

(F) develop systems to assist women and minority individuals who are drug abusers in adapting to, and coping with, the effects of discrimination;

(G) support and develop research, demonstration, and training programs designed to eliminate institutional discrimination against drug abusers; and

(H) provide increased emphasis on the concerns of women and minorities in training programs, service delivery programs, and research activities of the Institute.

NATIONAL INSTITUTE OF MENTAL HEALTH

SEC. 504. (a)–(e) * * *

[(f)(1) The Secretary, acting through the Director, may make grants to States, political subdivisions of States, and private nonprofit agencies for mental health services demonstration projects for the planning coordination, and improvement of community services for chronically mentally ill individuals, seriously mentally disturbed children, elderly individuals, and homeless chronically mentally ill individuals, and for the conduct of research concerning such services.

[(2) The Secretary may make a grant under paragraph (1) for not more than three consecutive one-year periods, except that the Secretary may waive the limitation of this paragraph with respect to a particular grant if the Secretary determines that extenuating circumstances exist which merit such waiver.

[(3) For purposes of paragraphs (1) and (2) there are authorized to be appropriated $20,000,000 for each of the fiscal years 1985, and 1986, and $24,000,000 for fiscal year 1988.

[(4)(A) Not more than 25 percent of the total amount of a grant for fiscal year 1988 made to a State under this subsection for a project for services for chronically mentally ill adults (other than a project for services for elderly individuals or a project for services for homeless chronically mentally ill individuals) may be used by the State for administrative expenses in carrying out such grant in such fiscal year.

[(B) Not more than 25 percent of the total amount of any grant made to a State under this subsection for services to chronically mentally ill adults for any fiscal year (beginning with fiscal year 1989) may be used by the State for administrative expenses in carrying out such grant in such fiscal year.]

[(g)] *(f)* The Secretary, acting through the Director, may make grants to States for the purpose of developing State comprehensive mental health plans referred to in section 1916(e).

[(h)] *(g)* The Director shall—

(1) develop and publish information respecting the causes of suicide and the means of preventing suicide; and

(2) make such information generally available to the public and health professionals.

Information developed, published, and distributed under this subsection shall especially relate to suicide among individuals under the age of [21] *24*.

[(i)] *(h)* The Secretary, acting through the Director, may make grants to and enter into cooperative agreements and contracts with public and nonprofit private entities for research on mental illness.

MENTAL HEALTH SERVICE GRANTS AND DEMONSTRATION PROJECTS

SEC. 504A. (a) MENTAL HEALTH DEMONSTRATION PROJECTS.—The Secretary, acting through the Director, may make grants to States, political subdivisions of States, and private nonprofit entities for—

(1) mental health services demonstration projects, (including self-help services), for the planning, coordination, and improvement of community services for seriously mentally ill individuals, seriously emotionally disturbed children and adolescents, elderly individuals (with special emphasis on areas with high concentrations of the elderly), residents of rural areas, and homeless chronically mentally ill individuals;

(2) demonstration projects relating to the provision of prevention services to individuals who are at risk of developing mental illness;

(3) demonstration projects for the prevention of youth suicide;

(4) demonstration projects for the improvement of the recognition, assessment, treatment, and clinical management of depressive disorders;

(5) demonstration projects for the improvement of post-legal adoption mental health and counseling services; and

(6) demonstration projects for treatment and prevention relating to sex offenses.

(b) GRANTS.—The Secretary may make a grant under subsection (a) for not more than 5 consecutive 1-year periods, except that the Secretary may waive the limitation of this paragraph with respect to a particular grant if the Secretary determines that extenuating circumstances exist that merit such waiver.

(c) ADMINISTRATIVE EXPENSES.—

(1) IN GENERAL.—The Secretary shall not make a grant to an applicant under paragraphs (2) through (7) of subsection (a) unless the applicant agrees that not more than 10 percent of the amount of such grant shall be used for administrative expenses.

(2) MENTAL HEALTH DEMONSTRATION PROJECTS.—Not more than 25 percent of the total amount of a grant made to a State under subsection (a)(1) for a project for services for seriously mentally ill individuals, seriously emotionally disturbed children and adolescents, elderly individuals, residents of rural areas, and homeless chronically mentally ill individuals in any fiscal year may be used by the State for administrative expenses in carrying out such grant in such fiscal year.

(d) AUTHORIZATION OF APPROPRIATIONS.—

(1) IN GENERAL.—In order to provide grants under subsection (a) there is authorized to be appropriated—

(A) $57,700,000 for fiscal year 1988;

(B) $60,400,000 for fiscal year 1989, of which at least 18 percent shall be used for demonstration projects for homeless individuals;

(C) $63,400,000 for fiscal year 1990, of which at least 18 percent shall be used for demonstration projects for homeless individuals; and

(D) such sums as are necessary in fiscal year 1991, of which at least 18 percent shall be used for demonstration projects for homeless individuals.

(2) RURAL RESIDENT PROJECTS.—Of the amounts appropriated under paragraph (1), the Secretary shall use not in excess of $5,000,000 in each of the fiscal years 1988 through 1990, to make grants for rural residence projects described in subsection (a)(1).

(3) ELDERLY MENTAL HEALTH PROJECTS.—Of the amounts appropriated under paragraph (1), the Secretary shall use not in excess of $4,500,000 in each of the fiscal years 1988 through 1990, to make grants for demonstration projects relating to mental health services for elderly individuals described in subsection (a)(1).

(4) PREVENTION SERVICES PROJECTS.—Of the amounts appropriated under paragraph (1), the Secretary may use not in excess of $5,000,000 in each of the fiscal years 1988 through 1990, to make grants for projects described in subsection (a)(2).

(5) SUICIDE PREVENTION PROJECTS.—Of the amounts appropriated under paragraph (1), the Secretary may use not in excess of $5,000,000 in each of the fiscal years 1988 through 1990, to make grants for projects described in subsection (a)(3).

(6) DEPRESSIVE DISORDER PROJECTS.—Of the amounts appropriated under paragraph (1), the Secretary may use not in excess of $2,000,000 in fiscal year 1988, and $2,500,000 in each of the fiscal years 1989 and 1990, to make grants for projects described in subsection (a)(4).

(7) POST-LEGAL ADOPTION SERVICES PROJECTS.—Of the amounts appropriated under paragraph (1), the Secretary may use not in excess of $2,000,000 in fiscal year 1988, and $2,500,000 in each of the fiscal years 1989 and 1990, to make grants for projects described in subsection (a)(5).

SERVICE RESEARCH OF COMMUNITY MENTAL HEALTH PROGRAMS

SEC. 504B. (a) IN GENERAL.—The Secretary, acting through the Director of the National Institute of Mental Health, shall develop and maintain an ongoing program of service research of community mental health programs and services, that shall include the evaluation of—

(1) the most effective methods of providing community-based prevention, treatment, and rehabilitation services for mentally ill individuals of all ages; and

(2) the comparative cost-effectiveness of different methods of treatment utilized in community mental health programs.

(b) FUNDING PROGRAM.—Research and evaluation required in subsection (a) may be carried out through grants, contracts, or cooperative agreements.

(c) PLAN.—Not later than 6 months after the date of enactment of the Comprehensive Alcohol Abuse, Drug Abuse, and Mental Health Amendments Act of 1987, the Director shall submit to the Committee on Energy and Commerce of the House of Representatives and the Committee on Labor and Human Resources of the Senate a plan for the program to be established under subsection (a).

* * * * * * *

OFFICE FOR SUBSTANCE ABUSE PREVENTION

SEC. 508. (a) There is established in the [Administration] *National Institutes of Mental Health, Drugs, and Alcohol* an Office for Substance Abuse Prevention (hereafter in this part referred to as the "Office"). The Office shall be headed by a Director appointed by the Secretary from individuals with extensive experience or academic qualifications in the prevention of drug or alcohol abuse.

(b)–(f) * * *

(e) For each of the fiscal years 1988 through 1990, there shall be available, to carry out this section and section 509A, such amounts

as are authorized under the third sentence of section 1921(a), to be used as prescribed by the Director of the Office.

* * * * * * *

RESEARCH ON PUBLIC HEALTH EMERGENCIES

SEC. 509B. (a) If the Secretary determines, after consultation with the Administrator, the Commissioner of Food and Drugs, or the Director of the Centers for Disease Control, that a disease or disorder within the jurisdiction of an Institute of the [Administration] *National Institutes of Mental Health, Drugs, and Alcohol* constitutes a public health emergency, the Secretary, acting through the Administrator—

* * * * * * *

ANIMALS IN RESEARCH

SEC. 509C. (a) The Secretary, acting through the Administrator, shall establish guidelines for the following:

(1) The proper care of animals to be used in research conducted by and through agencies of the [Administration] *National Institutes of Mental Health, Drugs, and Alcohol.*

* * * * * * *

(d) The Administrator shall require each applicant for a grant, contract, or cooperative agreement involving research on animals which is administered by the Administrator or any agency of the [Administration] *National Institutes of Mental Health, Drugs, and Alcohol* to include in its application or contract proposal, submitted after the expiration of the 12-month period beginning on the date of enactment of this section—

* * * * * * *

DATA COLLECTION

SEC. 509D. (a) IN GENERAL.—The Directors of the National Institute of Mental Health, the National Institute on Alcohol Abuse and Alcoholism, and the National Institute on Drug Abuse in cooperation with the alcohol, drug, and mental health agencies of the State and the respective national organizations concerning such, shall collect data on—

(1) the number and variety of public and nonprofit private treatment programs available for mental health and alcohol and drug abuse;

(2) the number and demographic characteristics of individuals receiving treatment through the programs referred to in paragraph (1);

(3) the type of care received by the individuals referred to in paragraph (2); and

(4) other programs and activities as may be appropriate.

(b) REPORT.—The Secretary shall submit to the Committee on Energy and Commerce of the House of Representatives and the Committee on Labor and Human Resources of the Senate every 2 years, a report that describes—

(1) the scope of drug and alcohol and mental health services being provided by public and private nonprofit entities;

(2) the identification of alcohol and drug abuse and mental health service shortage areas and gaps in such services;

(3) the number of alcohol and drug abuse and mental health treatment settings;

(4) the number and characteristics of the individuals served by the services described in paragraphs (1) and (2); and

(5) other information that is considered appropriate by the Secretary.

(c) APPROPRIATIONS.—

(1) 1988.—There is authorized to be appropriated in fiscal year 1988, $9,000,000 to be used by the National Institute of Mental Health, the National Institute on Alcohol Abuse and Alcoholism, and the National Institute on Drug Abuse, to carry out this section.

(2) SUBSEQUENT YEARS.—There is authorized to be appropriated in each of the fiscal years 1989 through 1991, $12,000,000 to be used by the National Institute of Mental Health, and $12,000,000 to be used by the National Institute on Alcohol Abuse and Alcoholism, and the National Institute on Drug Abuse, to carry out this section.

* * * * * * *

FETAL ALCOHOL INFORMATION PROGRAM

SEC. 509E. (a) ESTABLISHMENT.—The Director of the Institute on Alcohol Abuse and Alcoholism shall establish and implement a public information program on fetal alcohol syndrome to educate the public concerning the syndrome and to reduce the incidence of the occurrence of the syndrome.

(b) REPORT.—Not later than 24 months after the date of enactment of the Comprehensive Alcohol Abuse, Drug Abuse, and Mental Health Amendments Act of 1987, the Director of the Institute shall submit to the Committee on Energy and Commerce of the House of Representatives and to the Committee on Labor and Human Resources of the Senate a report that describes the effect of the informational program established under section (a).

* * * * * * *

AUTHORIZATIONS OF APPROPRIATIONS

SEC. 517. [There are authorized to be appropriated to carry out this subpart $129,000,000 for fiscal year 1987.] *(a) There are authorized to be appropriated to carry out this subpart, $183,000,000 for fiscal year 1988, and such sums as are necessary for each of the fiscal years 1989 through 1991. There are authorized to be appropriated $10,000,000 in fiscal year 1988, $10,000,000 in fiscal years 1989 and 1990, and such sums as are necessary in fiscal year 1991, to carry out section 516.*

Part C—Miscellaneous Provisions Relating to Alcohol Abuse and Alcoholism and Drug Abuse

Subpart 1—Provisions Relating to Alcohol Abuse and Alcoholism

* * * * * * *

ALCOHOL ABUSE AND ALCOHOLISM AMONG GOVERNMENT AND OTHER EMPLOYEES

Sec. 521. (a) The Office of Personnel Management shall be responsible for developing and maintaining, in cooperation with the Secretary and with other Federal agencies and departments, and in accordance with the provisions of subpart F of part III of title 5, United States Code, appropriate prevention, treatment, and rehabilitation programs and services for alcohol abuse and alcoholism among Federal civilian employees, consistent with the purposes of this Act. Such agencies and departments are encouraged to extend, to the extent feasible, these programs and services to the families of alcoholic employees and to employees who have family members who are alcoholics. Such policies and services shall make optimal use of existing governmental facilities, services, and skills.

* * * * * * *

Subpart 3—Provisions Relating to Both Alcohol and Drug Abuse

SERVICES RESEARCH ON ALCOHOL AND DRUG ABUSE TREATMENT PROGRAMS

Sec. 550. (a) In General.—The Secretary, acting through the Directors of the National Institute on Alcohol Abuse and Alcoholism, and the National Institute on Drug Abuse, shall develop and maintain an ongoing program of research and evaluation of alcohol and drug abuse treatment programs to—

(1) determine the most effective methods of treatment for alcohol and drug ause; and

(2) assess the comparative efficacy and cost-effectiveness of different methods of alcohol and drug abuse treatment.

(b) Funding Program.—Research and evaluation required in subsection (a) may be carried out through grants, contracts, or cooperative agreements.

(c) Plan.—Not later than 6 months after the date of enactment of the Comprehensive Alcohol Abuse, Drug Abuse, and Mental Health Amendments Act of 1988, the Secretary shall submit to the Committee on Energy and Commerce of the House of Representatives and the Committee on Labor and Human Resources of the Senate a plan for the program to be established under subsection (a).

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TITLE XIX—BLOCK GRANTS

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PART B—ALCOHOL AND DRUG ABUSE AND MENTAL HEALTH SERVICES BLOCK GRANT

Subpart 1—Block Grant

AUTHORIZATION OF APPROPRIATIONS

SEC. 1911. For the purpose of grants and allotments under section 1913, there is authorized to be appropriated $491,000 for fiscal year 1982, $511,000,000 for fiscal year 1983, $532,000,000 for fiscal year 1984, $515,000,000 for fiscal year 1985, $545,000,000 for fiscal year 1986, [and] $576,000,000 for fiscal year 1987, *$550,500,000 for fiscal year 1988, $791,500,000 for fiscal year 1989, $868,000,000 for fiscal year 1990, and $952,000,000 for fiscal year 1991.*

GRANTS

SEC. 1912.(a)-(b) * * *

(c) The Secretary may use not to exceed 1 percent of the amounts appropriated under section 1911 in each of the fiscal years 1988 through 1991 to conduct evaluations, and prepare reports for submission to Congress, concerning the functioning and effectiveness of block grant programs conducted under this subpart.

[ALLOTMENTS

[SEC. 1913. (a)(1) If the amount available for allotment from appropriations under section 1911 for a fiscal year does not exceed $490,000,000, the Secretary shall allot such amount—

[(A) on the basis of a formula prescribed by the Secretary which is based equally—

[(i) on the population of each State, and

[(ii) the population of each State weighted by its relative per capita income, or

[(B) on the basis of the amount received by a State in fiscal year 1984,

whichever yields a higher amount. For purposes of subparagraph (A), the term "relative per capita income" means the quotient of the per capita income of the United States and the per capita income of the State, except that if the State is Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, the Trust Territory of the Pacific Islands, the Commonwealth of Puerto Rico, or the Virgin Islands, the quotient shall be considered to be one.

[(2) If the amount available for allotment from appropriations under section 1911 for a fiscal year is at least $490,000,000, the Secretary shall allot $490,000,000 in accordance with paragraph (1) and shall allot the amount which is in excess of such amount on the basis of the formula described in paragraph (1)(A).

[(3) Notwithstanding paragraph (1), if the aggregate of the amounts to be allotted to each State pursuant to paragraph (1)(B) in any fiscal year exceeds the total amount available for allotment from appropriations under section 1911, the amount to be allotted to a State for such fiscal year shall be an amount which bears the same ratio to the amount which is to be allotted to the State pursuant to such paragraph as the total amount available for allotment from appropriations under section 1911 bears to the total of the amount required to be appropriated and made available under such section for allotments to provide each State with the allotment required by such paragraph.

[(4) To the extent that all the funds appropriated under section 1911 for a fiscal year and available for allotment in such fiscal year are not otherwise allotted to States because—

[(A) one or more States have not submitted an application or description of activities in accordance with section 1916 for the fiscal year;

[(B) one or more States have notified the Secretary that they do not intend to use the full amount of their allotment; or

[(C) some State allotments are offset or repaid under section 1917(b)(3);

such excess shall be allotted among each of the remaining States in proportion to the amount otherwise allotted to such States for the fiscal year without regard to this paragraph.

[(b)(1) If the Secretary—

[(A) receives a request from the governing body of an Indian tribe or tribal organization within any State that funds under this part be provided directly by the Secretary to such tribe or organization, and

[(B) determines that the members of such tribe or tribal organization would be better served by means of grants made directly by the Secretary on this part,

the Secretary shall reserve from amounts which would otherwise be allotted to such State under subsection (a) for the fiscal year the amount determined under paragraph (2).

[(2) The Secretary shall reserve for the purpose of paragraph (1) from amounts that would otherwise be allotted to such State under subsection (a) an amount equal to the amount which bears the same ratio to the State's allotment for the fiscal year involved as the total amount provided or allotted for fiscal year 1980 by the Secretary to such tribe or tribal organization under—

[(A) the Community Mental Health Center Act,

[(B) the Mental Health Systems Act,

[(C) section 301 of this Act,

[(D) sections 301 and 312 of the Comprehensive Alcohol Abuse and Alcoholism, Prevention, Treatment, and Rehabilitation Act of 1970, and,

[(E) sections 409 and 410 of the Drug Abuse Prevention, Treatment, and Rehabilitation Act,

bore to the total amount provided or allotted for such fiscal year by the Secretary to the State and entities (including Indian tribes and tribal organizations) in the State under such provisions of law.

[(3) The amount reserved by the Secretary on the basis of a determination under this subsection shall be granted to the Indian tribe or tribal organization serving the individuals for whom such a determination has been made.

[(4) In order for an Indian tribe or tribal organization to be eligible for a grant for a fiscal year under this subsection, it shall submit to the Secretary a plan for such fiscal year which meets such criteria as the Secretary may prescribe.

[(5) The terms "Indian tribe" and "tribal organization" have the same meaning given such terms in section 4(b) and section 4(c) of the Indian Self-Determination and Education Assistance Act.]

ALLOTMENTS

SEC. 1913. (a) RESERVATIONS.—

(1) TERRITORIES AND POSSESSIONS.—The Secretary shall reserve not to exceed $5,025,000 from the amounts appropriated under section 1911 in each of the fiscal years 1989 through 1991 for payments to Guam, American Samoa, the Virgin Islands, the Trust Territory of the Pacific Islands, the Commonwealth of Puerto Rico, and the Northern Mariana Islands, in amounts that bear the same ratio to the amount specified above as the population of the territory or possession bears to the total population of all such territories and possessions, but notwithstanding such allocation, no territory or possession shall receive the lesser of $100,000, or 105 percent of the combined amount the territory or possession received under this section (as such section existed before the date of enactment of the Comprehensive Alcohol Abuse, Drug Abuse, and Mental Health Amendments Act of 1988) in fiscal year 1987, and for emergency treatment purposes under section 1921(b)(1), whichever is less.

(2) INDIANS.—

(A) IN GENERAL.—If the Secretary—

(i) receives a request from the governing body of an Indian tribe or tribal organization within any State that funds under this part be provided directly by the Secretary to such tribe or organization; and

(ii) determines that the members of such tribe or tribal organization would be better served by means of grants made directly by the Secretary under this part;

the Secretary shall reserve from amounts which would otherwise be allotted to such State under subsection (b) for the fiscal year the amount determined under subparagraph (B).

(B) ALLOTMENT.—The Secretary shall reserve for the purpose of subparagraph (A), from amounts that would otherwise be allotted to such State under subsection (b), an amount equal to the amount which bears the same ratio to the State's allotment for the fiscal year involved as the total amount provided or allotted for fiscal year 1987 by the Secretary to such tribe or tribal organization under the existing alcohol and drug abuse, and mental health block grant bears to the total amount provided or allotted for such fiscal year by the Secretary to the States and entities (including Indian tribes and tribal organizations) in the State under such provisions of law.

(C) RECIPIENT.—The amount reserved by the Secretary on the basis of a determination under this subsection shall be granted to the Indian tribe or tribal organization serving the individuals for whom such a determination has been made.

(D) PLAN.—In order for an Indian tribe or tribal organization to be eligible for a grant under this paragraph, such

tribe or organization shall submit to the Secretary a plan for such fiscal year that meets such criteria as the Secretary may prescribe.

(E) Definition.—As used in this subparagraph the terms "Indian tribe" and "tribal organization" have the same meaning given such terms in section 4(b) and section 4(c) of the Indian Self-Determination and Education Assistance Act.

(3) Initial allotment.—Out of the amounts appropriated under section 1911 in each of the fiscal years 1989 through 1991, the Secretary shall reserve $329,975,000 in each such fiscal year unless amounts appropriated are less than such amount, for payments to States, territories, and possessions based on the fiscal year 1984 proportionate share of each State, territory or possession as determined under this section (as such section existed before the date of enactment of the Comprehensive Alcohol Abuse, Drug Abuse, and Mental Health Amendments Act of 1987).

(b) State Allotment.—

(1) General rule.—From the remainder of the sums appropriated under section 1911 for each of the fiscal years 1989 through 1991, the Secretary shall allot to each State (excluding jurisdictions referred to in subsection (a)(1)) an amount equal to the product obtained by multiplying—

(A) the State need; by

(B) the State fiscal capacity.

(2) State need.—For purposes of this subsection, the State need of a State shall be an amount equal to the sum of—

(A) the amount equal to the product of .4 multiplied by the amount equal to the sum of—

(i) the amount equal to the product of .5 multiplied by the total population of the State residing in urbanized areas, as determined by the Secretary;

(ii) the amount equal to the product of .3 multiplied by the total population of the State between the ages of 18 and 24 years; and

(iii) the amount equal to the product of .2 multiplied by the total population of the State between the ages of 25 and 44 years;

(B) the amount equal to the product of .2 multiplied by the total population of the State between the ages of 25 and 64 years; and

(C) the amount equal to the product of .4 multiplied by amount equal to the sum of—

(i) the amount equal to the product of .4 multiplied by the total population of the State between the ages of 18 and 24 years; and

(ii) the amount equal to the product of .6 multiplied by the total population of the State between the ages of 25 and 44 years.

(3) State fiscal capacity.—

(A) General formula.—For purposes of this subsection, the State fiscal capacity of a State shall be an amout equal to the sum of—

(i) one; minus

(ii) the percentage equal to the product of 20 percent multiplied by the amount equal to the quotient obtained by dividing—

(I) the total taxable resources per person in need of a State; by

(II) the total taxable resources per person in need for all States.

(B) TAXABLE RESOURCES PER PERSON IN NEED OF A STATE.—For purposes of subparagraph (A)(ii)(I), the total taxable resources per person in need of a State shall be an amount equal to the average total taxable resources of the State, as determined by the Secretary of the Treasury based on State gross product as reported by the Bureau of Economic Analysis, for the period of the 3 most recently completed calendar years ending before the date on which an application is submitted under section 1916, divided by the State need as determined under paragraph (2).

(C) TAXABLE RESOURCES PER PERSON IN NEED OF ALL STATES.—For purposes of subparagraph (A)(ii)(II), the total taxable resources per person in need of all States shall be an amount equal to the average total taxable resources per person in need in all States, as determined by the Secretary of the Treasury based on State gross product, as reported by the Bureau of Economic Analysis, for the period of the 3 most recently completed calendar years ending before the date on which an application is submitted under section 1916, divided by the State need as determined under paragraph (2).

(4) MINIMUM ALLOTMENT.—

(A) IN GENERAL.—Except as provided in subparagraph (B), no State shall receive an allotment of less than $7,000,000, or 105 percent of the combined amount the State received under this section (as such section existed before the date of enactment of the Comprehensive Alcohol Abuse, Drug Abuse, and Mental Health Amendments Act of 1988) in fiscal year 1987, and for emergency treatment purposes under section 1921(b)(1), whichever is less.

(B) SPECIAL RULE.—In the case of each of the fiscal years 1990 and 1991, amounts paid to States under subparagraph (A) shall increase by the same percentage as the remainder of the sums appropriated under section 1911 for purposes of allotments increases as compared to such sums available for allotment in fiscal year 1989.

(c) DATA AND INFORMATION.—Except as provided in subsection (b)(3), the Secretary shall obtain from each appropriate Federal agency, the most recent data and information necessary to determine the allotments provided for in subsection (b).

(d) REALLOTMENTS.—

(1) IN GENERAL.—Any portion of the allotment to a State under subsection (b) that the Secretary determines is not required to carry out activities described in the application approved under section 1916, in the period that the allotment is

made available, shall be reallocated by the Secretary to other States in proportion to the original allotment to such States.

(2) Limitation.—The amount that another State is entitled to under paragraph (1) shall be reduced to the extent that such amount exceeds the sum that the Secretary estimates will be used in that other State to carry out activities described in the application submitted in accordance with the requirements of a State plan approved under section 1916. The amount of such reduction shall be similarly reallotted among States in which the proportionate amount is not reduced.

(3) Amounts reallotted.—Any amount reallotted to a State under this subsection shall be deemed to be part of the original State allotment under subsection (b) for that year.

USE OF ALLOTMENTS

Sec. 1915. (a) Except as provided in subsections (b) and (c), amounts paid to a State under section 1914 and amounts transferred by the State for use under this part may be used by the State for—

(1) planning, establishing, maintaining, coordinating, and evaluating projects for the development of more effective prevention, treatment, and rehabilitation programs and activities to deal with alcohol and drug abuse; and

[(2) grants to community mental health centers in accordance with section 1916(c) and grants to community mental health centers for the provision of the following services:

[(A) Services for chronically mentally ill individuals, which include identification of chronically mentally ill individuals and assistance to such individuals in gaining access to essential services through the assignment of case managers.

[(B) Identification and assessment of severely mentally disturbed children and adolescents and provision of appropriate services to such individuals.

[(C) Identification and assessment of mentally ill elderly individuals and provision of appropriate services to such individuals.

[(D) Services for identifiable populations which are currently underserved in the State.

[(E) Coordination of mental health and health care services provided within health care centers.]

(2) planning, developing, and providing community mental health services and related support services with—

(A) emphasis on the initiation and provision of new or expanded services that contribute to the development of a comprehensive community mental health system as described in section 1916(e); and

(B) continued support for community mental health center services funded with federal block grants prior to 1989 to the extent consistent with section 1916(c)(15), and with the State Mental Health Planning Council priorities and the State Comprehensive Mental Health Plan.

Amounts provided for the activities referred to in the preceding sentence may also be used for related planning, administration, and educational activities.

(b) A State may not use amounts paid to it under section 1914 to—

(1) provide inpatient services in the case of amounts provided for community mental health centers or provide inpatient hospital services in the case of amounts provided for alcohol or drug abuse programs.

(2) make cash payments to intended recipients of health services,

(3) purchase or improve land, purchase, construct, or permanently improve (other than minor remodeling) any building or other facility, or purchase major medical equipment,

(4) satisfy any requirement for the expenditure of non-Federal funds as a condition for the receipt of Federal funds, or

(5) provide financial assistance to any entity other than a public or nonprofit private entity.

The Secretary may waive the limitation contained in paragraph (3) upon the request of a State if the Secretary finds that there are extraordinary circumstances to justify the waiver and that granting the waiver will assist in carrying out this part.

(c) [Repealed.]

(d) Of the amount paid to any State under section 1914, not more than 10 percent may be used for administering the funds made available under such section. The State will pay from non-Federal sources the remaining costs of administering such funds.

APPLICATION AND DESCRIPTION OF ACTIVITIES

[SEC. 1916. (a) In order to receive an allotment for a fiscal year under section 1913(b) each State shall submit an application to the Secretary. Each such application shall be in such form and submitted by such date as the Secretary shall require. Each such application shall contain assurances that the legislature of the State has complied with the provisions of subsection (b) and that the State will meet the requirements of subsection (c).

[(b) After the expiration of the first fiscal year in which a State receives an allotment under section 1913(b), no funds shall be allotted to such State for any fiscal year under such section unless the legislature of the State conducts public hearings on the proposed use and distribution of funds to be provided under section 1914 for such fiscal year.

[(c) As part of the annual application required by subsection (a), the chief executive officer of each State shall certify as follows:

[(1) The State agrees to use the funds alloted to it under section 1913 in accordance with the requirements of this part.

[(2) Except as provided in subsection (h), for fiscal years 1985, 1986, and 1987, the State agrees to make grants, subject to paragraphs (3) and (4), to each community mental health center within the State which received a grant under the Community Mental Health Centers Act in fiscal year 1981 and which would be eligible to receive a grant for its operation under that Act (as in effect on the day before the date of the enactment of the Omnibus Budget Reconciliation Act of 1981) for such fiscal year if such grants were made under such Act.

[(3) The State agrees to make grants to community mental health centers in the State for the provision of comprehensive mental health services—

(A) principally to individuals residing in a defined geographic area (hereinafter in this section referred to as a "mental health service area"), with special attention to individuals who are chronically mentally ill.

(B) within the limits of its capacity, to any individual residing or employed in its mental health service area regardless of ability to pay for such services, current or past health condition, or any other factor, and

(C) which are available and accessible promptly, as appropriate and in a manner which preserves human dignity and assures continuity and high quality care.

[(4) The State agrees to require that any community mental health center in the State receiving a grant from the State under this part provide—

[(A) outpatient services, including specialized outpatient services for children, the elderly, individuals who are chronically mentally ill, and residents of its mental health service area who have been discharged from inpatient treatment at a mental health facility,

[(B) 24-hour-a-day emergency care services,

[(C) day treatment or other partial hospitalization services, or psychosocial rehabilitation services,

[(D) screening for patients being considered for admission to State mental health facilities to determine the appropriateness of such admission, and

[(E) consultation and education services.

[(5) The State agrees to establish reasonable criteria to evaluate the effective performance of entities which receive funds from the State under this part and procedures for procedural and substantive independent State review of the failure by the State to provide funds for any such entity.

[(6)(A) The State agrees to use the funds allotted to it under section 1913 for fiscal year 1982 for the mental health and alcohol and drug abuse activities prescribed by section 1915(a) as follows:

[(i) The amount provided for mental health activities shall not exceed an amount which bears the same relationship to the funds allotted to the State for such fiscal year as the funds which would have been received by the State and entities in the State in fiscal year 1981 for mental health services under the Community Mental Health Centers Act and the Mental Health Systems Act for mental health services demonstrations under section 301 of this Act if the Secretary had obligated all of the funds appropriated for such provisions of law under Public Law 96-536 bore to the funds which would have been so received by the State and entities in the State in such fiscal year under such provisions of law and the funds received by the State and entities in the State in fiscal year 1980 under sections 301 and 312 of the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970 and sections 409 and 410 of the Drug Abuse Prevention, Treatment, and Rehabilitation Act.

[(ii) The amount provided for alcohol and drug abuse activities shall not exceed an amount which bears the same relationship to the funds allotted to the State for such fiscal year as the funds received by the State and entities in the State in fiscal year 1980 under sections 301 and 312 of the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970 and sections 409 and 410 of the Drug Abuse Prevention, Treatment, and Rehabilitation Act bore to the funds received by the State and entities in the State in such fiscal year under such sections and the funds which would have been received by the State and entities in the State in fiscal year 1981 for mental health services under the Community Mental Health Centers Act and the Mental Health Systems Act and for mental health services demonstrations under section 301 of this Act if the Secretary had obligated all of the funds appropriated for such provisions of law under Public Law 96-536.

[(B) The State agrees to use 75 percent of the funds allotted to it under section 1913 for fiscal years beginning after fiscal year 1984 for the mental health and alcohol and drug abuse activities prescribed by section 1915(a) as prescribed by subparagraph (A).

[(7) In any fiscal year, the State agrees to use funds for the alcohol and drug abuse activities prescribed by section 1915(a) as follows:

[(A) Not less than 35 percent of the amount to be made available for such activities shall be used for programs and activities relating to alcoholism and alcohol abuse.

[(B) Not less than 35 percent of the amount to be made available for such activities shall be used for programs and activities relating to drug abuse.

[(8) Of the amount to be used in any fiscal year for alcohol or drug abuse activities, the State agrees to use not less than 20 percent of such amount for prevention and early intervention programs designed to discourage the abuse of alcohol or drugs, or both.

[(9) The State agrees to permit and cooperate with Federal investigations undertaken in accordance with section 1918.

[(10) That the State has identified those populations, areas, and localities in the State with a need for mental health, alcohol abuse and alcoholism, and drug abuse services.

[(11) That the Federal funds made available under section 1914 for any period will be so used as to supplement and increase the level of State, local, and other non-Federal funds that would in the absence of such Federal funds be made available for the programs and activities for which funds are provided under that section and will in no event supplant such State, local, and other non-Federal funds.

[(12) That the State has in effect a system to protect from inappropriate disclosure patient records maintained by the State in connection with an activity funded under this part or by any entity which is receiving payments from the allotment of the State under this part.

[(13) That the State shall develop and implement arrangements, which are not excessively burdensome on the State, to locate jobs for employees affected adversely by actions taken by the State mental health authority to emphasize outpatient mental health services.

[(14) Of the amount allotted to a State under this part in any fiscal year, the State agrees to use—

[(A) In fiscal year 1985, not less than 3 percent of such amount; and

[(B) in any other fiscal year, not less than 5 percent of such amount,

to initiate and provide new or expanded alcohol and drug abuse services for women.

[(15) Of the amount to be used in any fiscal year for mental health activities, the State agrees to use not less than 10 percent of such amount to initiate and provide—

[(A) in fiscal year 1985, new comprehensive community mental health services for underserved areas or for underserved populations, with special emphasis on new mental health services for severely disturbed children and adolescents; and

[(B) in any other fiscal year, new or expended comprehensive community mental health services for underserved areas or for underserved populations, with special emphasis on new or expanded mental health services for severely disturbed children and adolescents.

The Secretary may not prescribe for a State the manner of compliance with the requirements of this subsection.

[(d) The chief executive officer of a State shall, as part of the application required by subsection (a), also prepare and furnish the Secretary (in accordance with such form as the Secretary shall provide) with a description of the intended use of the payments the State will receive under section 1914 for the fiscal year for which the application is submitted, including information on the programs and activities to be supported and services to be provided. The description shall be made public within the State in such manner as to facilitate comment from any person (including any Federal or other public agency) during development of the description and after its transmittal. The description shall be revised (consistent with this section) throughout the year as may be necessary to reflect substantial changes in the programs and activities assisted by the State under this part, and any revision shall be subject to the requirements of the preceding sentence.

[(e) With amounts available under section 1915(a), the chief executive officer of a State may prepare and submit a comprehensive mental health plan which shall include—

[(1) an identification of the mental health service areas within the State and the agency responsible for the delivery and coordination of mental health services within the State;

[(2) an identification of the need in each mental health service area of the State for mental health and related services, particularly the need for services to chronically mentally ill individuals, seriously mentally ill children, adolescents, and elderly individuals, and other identified populations;

[(3) a description of the resources devoted to and activities to be carried out under the plan, including—

[(A) a description of mental health activities (including activities for chronically mentally ill individuals) funded or supported under this Act,

[(B) a description of mental health activities (including activities for chronically mentally ill individuals) funded or supported by State appropriations,

[(C) a description of mental health and related support activities (including activities for chronically mentally ill individuals) funded under or supported through title XIX of the Social Security Act and other programs of Federal assistance, and

[(D) to the extent feasible, a description of mental health activities reimbursed or provided in the State by private third party insurers and local governments;

[(4) the mental health prevention and treatment objectives to be achieved under the plan and a listing of the programs and resources to be used to meet such objectives;

[(5) a strategy for the establishment and implementation for chronically mentally ill individuals of an organized community-based system of care which shall provide for quantitative targets to be achieved in the implementation of the plan, including numbers of chronically mentally ill individuals residing in the areas to be served, a description of services to be provided to such individuals in gaining access to essential mental health services, and a description of medical and dental care and rehabilitation services and employment, housing, and other support services designed to enable such individuals to function outside of inpatient institutions to the maximum extent of their capabilities;

[(6) quantitative targets for provision of community-based mental health services for underserved populations, with particular emphasis on elderly individuals, children and adolescents, and individuals residing in areas without adequate outpatient treatment facilities; and

[(7) a method for the periodic evaluation of the plan's effectiveness in meeting the objectives set forth in the plan.

[(f) The chief executive officer of the State shall establish a State mental health services planning council which will—

[(1) serve as an advocate for chronically mentally ill individuals, seriously mentally ill children, adolescents, elderly individuals, and other individuals with mental illness or emotional problems, and

[(2) monitor, review, and evaluate, not less often than annually, the allocation and adequacy of mental health services within the State.

Such a council shall be made up of residents of the State and include in its membership representatives of the principal State agencies involved in mental health, higher education training facilities, and public and private entities concerned with the need, planning, operation, funding, and use of mental health and related services and activities. At least one half of the membership shall consist of individuals who are not State employees or providers of mental health services. The State may use amounts available under section 1915(a) to establish and operate such a council.

[(g) The Secretary shall report annually to the Committee on Energy and Commerce of the House of Representatives and the Committee on Labor and Human Resources of the Senate on the new or expanded programs and services initiated and provided in accordance with paragraphs (14) and (15) of subsection (c). The report shall include a detailed description of such programs and services, an assessment of the adequacy of such programs and services in meeting the alcohol and drug abuse treatment needs of women and the mental health needs of severely disturbed children and adolescents, and such other information, including legislative and administrative recommendations, as the Secretary deems appropriate.

[(h) A State shall be required to make a grant to a community mental health center under subsection (c)(2) unless—

[(1) the State recommends on the basis of—

[(A) any Federal finding, Federal administrative action, or judicial proceeding with respect to any such community mental health center, or

[(B) a review of such center in accordance with the criteria and procedures required under subsection (c)(5),

that the State not be required to make such grants; and

[(2) the Secretary approves the recommendation of the State under paragraph (1) based on a substantive and procedural review of the record made by the State in making its recommendation under paragraph (1) which review demonstrates that the community mental health center is not providing services as prescribed by paragraphs (3) and (4) of subsection (c) or is engaged in a substantial misuse of funds.]

SEC. 1916. (a) APPLICATION.—

(1) IN GENERAL.—In order to receive an allotment for a fiscal year under section 1913(b) each State shall submit an application to the Secretary.

(2) FORM.—An application submitted under this subsection shall be in such form and submitted by such date as the Secretary shall require.

(3) ASSURANCES.—An application submitted under this subsection shall contain assurances that the legislature of the State has complied with subsection (b) and that the State will meet the requirements of subsection (c).

(b) PUBLIC HEARINGS.—After the expiration of the first fiscal year in which a State receives an allotment under section 1913(b), no funds shall be allotted to such State for any fiscal year under such section unless the legislature of the State conducts public hearings on the proposed use and distribution of funds to be provided under section 1914 for such fiscal year.

(c) CONTENTS OF APPLICATION.—As part of the annual application required by subsection (a), the chief executive officer of each State shall certify as follows:

(1) GENERAL USE OF FUNDS.—The State agrees to use the funds allotted to it under section 1913 in accordance with this part.

(2) COMPREHENSIVE MENTAL HEALTH SERVICES.—The State agrees, to the extent practicable, that grants made to community mental health centers and other entities in the State shall be used for the provision of comprehensive mental health services—

(A) principally to individuals residing in a defined geographic area (hereinafter in this section referred to as a "mental health service area"), with special attention to individuals who are seriously mentally ill;

(B) within the limits of its capacity, to any individual residing or employed in a mental health service area in the State regardless of ability to pay for such services, current or past health condition, or any other factor; and

(C) that are available and accessible promptly, as appropriate and in a manner that preserves human dignity and assures continuity and high quality care.

(3) COMMUNITY MENTAL HEALTH CENTERS.—The State agrees to require that any community mental health center in the State receiving a grant prior to fiscal year 1989 from the State under this part provide—

(A) outpatient services, including specialized outpatient services for children, the elderly, individuals who are seriously mentally ill, and residents of a mental health service area of the State who have been discharged from impatient treatment at a mental health facility;

(B) 24-hour-a-day emergency care services;

(C) day treatment or other partial hospitalization services, or psychosocial rehabilitation services;

(D) screening for patients being considered for admission to State mental health facilities to determine the appropriateness of such admission; and

(E) consultation and education services.

(4) EVALUATION CRITERIA.—The State agrees to establish reasonable—

(A) criteria to evaluate the effective performance of entities that receive funds from the State under this part; and

(B) procedures for procedural and substantive independent State review of the failure by the State to provide funds for any such entity.

(5) SPECIFIC USE OF FUNDS.—

(a) IN GENERAL.—The State agrees to use the funds allotted to the State under section 1913 to carry out the mental health and alcohol drug abuse activities prescribed by section 1915(a) in accordance with this paragraph. The relative amounts provided for mental health activities and drug and alcohol abuse activities shall not exceed an amount that bears the same relationship to the funds allotted to the State for such fiscal year as the funds that would

have been received by the State and entities in the State in fiscal year 1987 for mental health activities and drug and alcohol activities (including amounts received from funds allocated under section 1913 and section 1921(b)(1) as such section existed before the enactment of the Comprehensive Alcohol Abuse, Drug Abuse, and Mental Health Amendments Act of 1987.

(B) PERCENT OF FUNDS.—The State may transfer not more than 10 percent of the amounts distributed under subparagraph (A)—

(i) for mental health activities to amounts used for alcohol and drug abuse activities; and

(ii) for alcohol and drug abuse activities to amounts used for mental health activities.

(6) ALCOHOL AND DRUG ABUSE USES.—In any fiscal year, the State agrees to use funds for the alcohol and drug abuse activities prescribed by section 1915(a) as follows:

(A) Not less than 35 percent of the amount to be made available for such activities relating to alcohol abuse.

(B) Not less than 35 percent of the amount to be made available for such activities relating to drug abuse.

(7) FEDERAL INVESTIGATIONS.—The State agrees to permit and cooperate with Federal investigations undertaken in accordance with section 1918.

(8) IDENTIFICATION OF NEEDS.—The State has identified those populations, areas, and localities in the State with a need for mental health, alcohol abuse and alcoholism, and drug abuse services.

(9) FEDERAL FUNDS.—The Federal funds made available under section 1914 for any periods will be so used as to supplement and increase the level of State, local, and other non-Federal funds that would in the absence of such Federal funds be made available for the programs and activities for which funds are provided under that section and will in no event supplant such State, local, and other non-Federal funds.

(10) DISCLOSURE.—The State has in effect a system to protect from inappropriate disclosure patient records maintained by the State in connection with an activity funded under this part or by any entity that is receiving payments from the allotment of State under this part.

(11) JOB LOCATION.—The State shall develop and implement arrangements, that are not excessively burdensome on the State, to locate jobs for employees affected adversely by actions taken by the State mental health authority to emphasize outpatient mental health services.

(12) WOMEN.—Of the amount allotted to a State in any fiscal year under this part, the State shall use not less than 5 percent of such amount to provide alcohol and drug abuse services designed specifically for women. Services implemented under paragraph (14) (as such paragraph existed before the effective date of section 103 of the Comprehensive Alcohol Abuse, Drug Abuse, and Mental Health Amendments of 1988 may be continued under this paragraph.

(13) CHILDREN.—Of the amount allotted in any fiscal year for mental health services, the State agrees to use not less than 10 percent of such amount to provide services and programs for seriously emotionally disturbed children and adolescents. The State shall use not less than 50 percent of the amounts set aside in the preceding sentence by the end of fiscal year 1990 to provide new or expanded services and programs that were not available prior to October 1, 1988, which shall apply to the requirement in paragraph (14).

(14) NEW MENTAL HEALTH SERVICES AND PROGRAMS.—Of the amounts allotted to a State for mental health activities under this part for fiscal year 1991, the State agrees to use, not less than 55 percent of such amount, to develop and provide community mental health services and programs, not available on October 1, 1988, and shall, with respect to each such service provided pursuant to this paragraph, provide funds for each service only for a limited period of time (as determined by the State) except that funds expended under this part for new services developed between October 1, 1984, and October 1, 1988, may be treated as a new service under this paragraph.

(d) DESCRIPTION OF INTENDED USE.—

(1) IN GENERAL.—The chief executive officer of a State shall, as part of the application required by subsection (a), also prepare and furnish the Secretary (on such form as the Secretary shall provide) with a description of the intended use of the payments the State will receive under section 1914 for the fiscal year for which the application is submitted, including information on the programs and activities to be supported and services to be provided.

(2) PUBLICATION.—The description shall be made public within the State in such manner as to facilitate comment from any person (including any Federal or other public agency) during development of the description and after its transmittal.

(3) REVISION.—The description shall be revised (consistent with this section) throughout the year as may be necessary to reflect substantial changes in the programs and activities assisted by the State under this part. Any revision shall be subject to the requirement of publication.

(e) RECEIPT OF PAYMENTS.—To receive payments under section 1914, a State shall agree that the State, in carrying out the purposes of this part, will facilitate coordination among institutions offering mental health services in the State to establish a State comprehensive community mental health system that—

(1) provides for the development of a continuum of community mental health services within identified geographic areas;

(2) ensures that mental health services offered by the system are accessible to individuals of all ages in the State who need the services provided by the system;

(3) provides mental health services according to the particular needs of the individual for whom the services are sought, including developing plans of care and providing services in the context most appropriate to the age, sex, and cultural background of the individual;

(4) encourages individuals receiving mental health services to be independent, and encourages the families of such individuals to be supportive of the individual in the attempts of the individual to achieve the optimal level of independence;

(5) ensures that mental health services are provided in the least restrictive appropriate environment;

(6) ensures that the mental health services provided by the system meet applicable professional standards for the provision of such services; and

(7) emphasizes services for individuals who have serious mental illnesses and who—

(A) are homeless;

(B) have been institutionalized or at risk of institutionalization;

(C) are children or youth with serious emotional disturbances;

(D) are elderly individuals;

(E) are young adults with diagnoses of both mental illness and alcohol or drug abuse;

(F) are racial and ethnic minorities;

(G) are women;

(H) are people living in poverty; or

(I) are residents of rural areas.

The State may use funds provided under section 1914 to develop plans to implement this subsection.

(f) STATE MENTAL HEALTH SERVICES PLANNING COUNCIL.—

(1) ESTABLISHMENT.—Not later than 6 months after the date of enactment of the Comprehensive Alcohol Abuse, Drug Abuse, and Mental Health Amendments Act of 1987, or 6 months after the opening of the first State legislative session after the enactment of such Act if legislative action by the State is required to implement this subsection, the chief executive officer of a State shall establish a State mental health services planning council that shall—

(A) serve as an advocate for seriously mentally ill individuals, seriously mentally ill children, adolescents, elderly individuals, and other individuals with a mental illness or emotional problem; and

(B) monitor, review, and evaluate, at least once a year, the allocation and adequacy of mental health services within the State.

(2) COMPOSITION.—The Council shall, subject to paragraph (3), be composed of residents of the State, including at least one representative of—

(A) the principal State agencies that have jurisdiction over—

(i) mental health, education, vocational rehabilitation, children's services, criminal justice, housing, and social services; and

(ii) the development of the State plan submitted pursuant to title XIX of the Social Security Act (42 U.S.C. 1396 et seq.);

(B) public and private entities concerned with the need, planning, operation, funding, and use of mental health services and related support services;

(C) seriously mentally ill adults who are receiving (or have received) mental health services and the families of such adults or of seriously emotionally disturbed children;

(D) minorities; and

(E) organizations functioning as advocates for the mentally ill and for mental health services.

(3) RESTRICTION.—Not less than 50 percent of the members of the Council shall be individuals who are not State employees or providers of mental health services.

(4) PLAN PREPARATION.—The Council may assist the State in the preparation the plan required by section 1920C.

(g) REPORT.—

(1) IN GENERAL.—The Secretary shall report annually to the Committee on Energy and Commerce of the House of Representatives and the Committee on Labor and Human Resources of the Senate on the new services initiated and provided in accordance with paragraphs (13) and (14) of subsection (c).

(2) CONTENTS.—The report shall include—

(A) a detailed description of such programs and services;

(B) an assessment of the adequacy of such programs and services in meeting the alcohol and drug abuse treatment needs of women and mental health needs of severely disturbed children and adolescents; and

(C) such other information, including legislative and administrative recommendations, as the Secretary considers appropriate.

REPORTS AND AUDITS

SEC. 1917. (a)(1) Each State shall prepare and submit to the Secretary annual reports on its activities under this part. Such reports shall be in such form and contain such information as the Secretary determines (after consultation with the States and the Comptroller General) to be necessary (A) to determine whether funds were expended in accordance with this part and consistent with the needs within the State identified pursuant to section 1916(c)(10), (B) to secure a description of the activities of the State under this part, (C) to furnish the Secretary a detailed description of the new or expanded programs and services initiated and provided in accordance with paragraphs [(14) and (15)] *(13) and (14)* of section 1916(c), and (D) to secure a record of the purposes for which funds were spent, of the recipients of such funds, and of the progress made toward achieving the purposes for which the funds were provided. Copies of the report shall be provided, upon request, to any interested person (including any public agency).

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TECHNICAL ASSISTANCE; DATA COLLECTION

Sec. 1920A. The Secretary, through the Administrator of the [Alcohol, Drug Abuse, and Mental Health Administration] *National Institutes of Alcohol, Drug Abuse, and Mental Health* shall—

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Subpart 2—State Comprehensive Mental Health Services Plan

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STATE COMPREHENSIVE MENTAL HEALTH SERVICES PLANS

Sec. 1920C. (a) For each fiscal year, beginning with fiscal year 1988, each State shall submit a State comprehensive mental health services plan (hereafter referred to in this subpart as the "State plan") to the Secretary.

(b) A State plan shall, for the fiscal year for which the plan is submitted and each of the 2 succeeding fiscal years, meet the following requirements:

(1) The State plan shall provide for the establishment and of implementation of an organized community-based system of care for [chronically] *seriously* mentally ill individuals.

(2) The State plan shall contain quantitative targets to be achieved in the implementation of such system, including numbers of [chronically] *seriously* mentally ill individuals residing in the areas to be served under such system.

(3) The State plan shall describe services to be provided to [chronically] *seriously* mentally ill individuals to enable such individuals to gain access to mental health services, including access to treatment, prevention, and rehabilitation services.

(4) The State plan shall describe rehabilitation services, employment services, housing services, medical and dental care, and other support services to be provided to [chronically] *seriously* mentally ill individuals in order to enable such individuals to function outside of inpatient institutions to the maximum extent of their capabilities.

(5) The State plan shall provide for activities to reduce the rate of hospitalization of [chronically] *seriously* mentally ill individuals.

(6) Except as provided in paragraph (7), the State plan shall require the provision of case management services to each [chronically] *seriously* mentally ill individual in the State who receives substantial amounts of public funds or services. For purposes of this paragraph, the term [chronically] *seriously* mentally ill individual" means a [chronically] *seriously* mentally ill individual as defined under State laws and regulations.

(7) The State plan may provide for the implementation of the requirements of paragraph (6) in a manner which—

(A) phases in, beginning in fiscal year 1989, the provision to all [chronically] *seriously* mentally ill individuals to which such paragraph applies the case management services required to be provided under such paragraph; and

(B) provides for the substantial completion of the phasing in of the provision of such services by the end of fiscal year 1992.

(8) The State plan shall provide for the establishment and implementation of a program of outreach to, and services for, [chronically] *seriously* mentally ill individuals who are homeless.

(c) In developing each State plan required under this section, the State shall consult with representatives of employees of State institutions and public and private nursing homes who care for [chronically] *seriously* mentally ill individuals.

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ENFORCEMENT

SEC. 1920D. (a)–(c) * * *

(d) [The amount referred to in subsections (a), (b), and (c) with respect to a State is the total amount expended by the State for administrative expenses for fiscal year 1986 from amounts paid to the State under subpart 1 for such fiscal years] *The amount referred to in subsections (a), (b), and (c) with respect to a State is the total amount that the State is permitted to expend for administrative expenses under section 1915(d) for fiscal year 1986 from amounts paid to the State under subpart 1 for such fiscal year. If in the judgment of the Secretary the State is making a good faith effort to comply with this subpart, the Secretary may assess the State a penalty that is less than the maximum penalty, but in no event shall the penalty be less than 2 percent of the amount the State is permitted to expend for administrative expenses.*

(e) Notwithstanding any other provision of this subpart, the Secretary shall not require a State government, in carrying out a State plan submitted under this subpart, to expend an amount for mental health services for any fiscal year which exceeds the total amount that would have been expended for such services by such government for such fiscal year if such plan had not been implemented.

[MODEL STANDARDS FOR THE PROVISION OF CARE TO THE CHRONICALLY MENTALLY ILL

[SEC. 1920E. (a) Within one year after the date of enactment of this subpart, the Secretary shall develop and make available a model plan for a community-based system of care for chronically mentally ill individuals. Such plan shall be developed in consultation with State mental health directors, providers of mental health services, chronically mentally ill individuals, advocates for such individuals, and other interested parties.]

MODEL PLAN FOR SERIOUSLY MENTALLY ILL INDIVIDUALS

SEC. 1920E. (a) IN GENERAL.—The Secretary, acting through the Director of the National Institute of Mental Health, shall develop and make available from time to time, a model plan for a community-based system of care for seriously mentally ill individuals.

(b) CONSULTATION.—The plan referred to in subsection (a) shall be developed in consultation with State mental health directors, providers of mental health services, seriously mentally ill individuals, advocates for such individuals, and other interested parties.

Subpart 3—Acquired Immunodeficiency Syndrome Grants

GRANTS

SEC. 1920F. (a) AUTHORITY.—To carry out this section, there are authorized to be appropriated $75,000,000 for fiscal year 1988, and such sums as are appropriate for each of the fiscal years 1989 through 1991, to make grants to public and non-profit private entities for projects and programs that seek to reduce the transmission of the acquired immunodeficiency virus in and by users of illegal intravenous drugs.

(b) APPLICATIONS.—An allotment to a State shall not be made by the Secretary under subsection (a) unless the State has submitted an information and assurances section as designated in section 1920H(a), and such information and assurances section has been approved by the Secretary, acting through the Director of the National Institute on Drug Abuse in consultation with the Director of the Centers for Disease Control in accordance with section 1920H.

ALLOTMENTS

SEC. 1920G. (a) RESERVATIONS.—The Secretary shall reserve $100,000 of the amount appropriated under section 1920F in each fiscal year for payments to Guam, American Samoa, the Virgin Islands, the Trust Territory of the Pacific Islands, and the Northern Mariana Islands, to be allotted in accordance with their respective needs.

(b) STATE ALLOTMENT.—The allotment of a State under this section shall be based on the State's proportionate share of the number of intravenous drug use related cases of AIDS as reported by the Centers for Disease Control, but in no case shall a State receive less than $150,000.

(c) PUERTO RICO.—Puerto Rico shall be treated as a State in the determination of allotments under subsection (b).

(d) DATA AND INFORMATION.—The Secretary shall obtain from each appropriate Federal agency, the most recent data and information, for the 12-month period immediately preceding the determination of the allotment, necessary to determine the allotments for fiscal year 1988, and for subsequent fiscal years, the Secretary shall obtain the most recent data and information, for the 2-year period immediately preceding the determination of the allotment.

REQUIRED INFORMATION AND ASSURANCES

SEC. 1920H. In order to receive an allotment for a fiscal year under section 1920G, each State shall submit to the Secretary, as part of the alcohol, drug abuse, and mental health block grant application required under section 1916, an information and assurances section that shall contain—

(1) such information as the Directors of the National Institute on Drug Abuse and the Centers for Disease Control shall require;

(2) a description of the programs that will be implemented or improved with the assistance given under this subpart and the manner in which such programs will be coordinated with other public and private programs and activities;

(3) assurances that, in the preparation of any statement under this section, the State will consult with local governments and the public and private entities (including community-based organizations) involved in the provision of services under this subpart;

(4) a description of the manner in which the State will evaluate the programs and activities conducted with assistance provided under this subpart;

(5) assurances that the State will prepare and submit a report, as required by the Secretary, on the results of the evaluations referred to in paragraph (4);

(6) assurances that the State will prepare and submit reports, as required by the Secretary, containing data necessary to monitor relevant epidemiological changes; and

(7) assurances that assistance provided to the State under this subpart will supplement and not supplant any State or local expenditures for treatment, outreach, prevention, and educational efforts targeted for users of illegal intravenous drugs at risk of contracting acquired immunodeficiency syndrome.

USE OF ALLOTMENT

SEC. 1920I. Amounts paid to a State under this subpart may be used by the State according to such requirements as the Secretary, acting through the Director of the National Institute on Drug Abuse, and in consultation with the Directors of the Centers for Disease Control, to establish programs that provide—

(1) treatment for users of illegal intravenous drugs that have contracted, or are at risk of contracting the acquired immunodeficiency syndrome virus;

(2) outreach services to users of illegal intravenous drugs;

(3) aggressive effort to prevent the transmission of the acquired immunodeficiency syndrome virus among users of illegal intravenous drugs; and

(4) the training and organizational efforts necessary to accomplish all of the above.

PAYMENTS

SEC. 1920J. (a) IN GENERAL.—For each fiscal year, the Secretary shall make payments, as provided by section 203 of the Intergovernmental Cooperation Act of 1968 (42 U.S.C. 4213), to each State that has complied with section 1920H from the allotment under section 1920G (other than any amount reserved under section 1920G) from amounts appropriated for that fiscal year.

(b) UNEXPENDED AMOUNTS.—

(1) IN GENERAL.—Any amount paid to a State for a fiscal year and remaining unobligated at the end of such year shall

remain available to such State for the next fiscal year for the purposes for which the payment was made.

(2) Withholding of funds.—If in the judgment of the Secretary, a State is unlikely to use funds that are available to that State during a fiscal year for the purposes prescribed by the Secretary under section 1929I, the Secretary may withhold the amount otherwise available to that State in subsequent fiscal year.

(c) Reduction in Payments.—

(1) In general.—The Secretary, at the request of a State, may reduce the amount of payments under subsection (a) by—

(A) the fair market value of any supplies or equipment furnished the State by the Federal government for the convenience of and at the request of the State; and

(B) the amount of the pay, allowances, and travel expenses of any officer or employee of the Federal government when detailed to the State, and the amount of any other costs incurred in connection with the detail of such officer or employee, if such amount is expended for the convenience of and at the request of the State.

(2) Reduced amounts.—The amount by which any payment is reduced under paragraph (1) shall be available for payment by the Secretary of the costs incurred in furnishing the supplies or equipment or in detailing the personnel, on which the reduction of the payment is based. The amount shall be considered to be part of the payment and to have been paid to the State.

(d) Reallocations.—To the extent that all the funds appropriated under section 1920F for a fiscal year and available for allotment in such fiscal year are not otherwise alloted to States because—

(1) one or more States have not submitted a satisfactory application with an information and assurances section in accordance with section 1920H for the fiscal year;

(2) one or more States have notified the Secretary that they do not intend to use the full amount of their allotment; or

(3) some State allotments are offset or repaid under subsection (c);

such excess shall be allotted among each of the remaining States in proportion to the amount otherwise allotted to such States for the fiscal year without regard to this subsection.

DEFINITION

Sec. 1920K.—As used in this subpart, the term 'illegal intravenous drug' includes any controlled substance as defined in section 102(6) of the Controlled Substance Act (21 U.S.C. 802(6)).

PART C—EMERGENCY SUBSTANCE ABUSE TREATMENT AND PREVENTION REHABILITATION

SPECIAL ALCOHOL ABUSE AND DRUG ABUSE PROGRAMS

Sec. 1921. [(a) To carry out this section and sections 1922, 1923, 508, and 509A there are authorized to be appropriated $241,000,000 for fiscal year 1987.] *(a)(1) To carry out this section there is author-*

izd to be appropriated $171,000,000 for fiscal year 1988. Of the total amount appropriated under the preceding sentence for fiscal year 1987, 6 percent shall be added to and included with the amounts otherwise available under this part for allotments to States under section 1913 for such fiscal year, 70.5 percent shall be available for allotments to States under this section for such fiscal year, 4.5 percent shall be available for transfer to the Administrator of Veterans' Affairs under section 1922 for such fiscal year, 1 percent shall be available to carry out section 1923 for such fiscal year, and 18 percent shall be available to carry out sections 508 and 509A for such fiscal year.

(2) Of the amounts appropriated in section 1911 for each of the fiscal years 1988 through 1991--

(A) $12,000,000, shall be available to carry out sections 508; and

(B) to carry out section 509A—

(i) $29,500,000 shall be available in fiscal year 1988;

(ii) $34,500,000 shall be available in fiscal year 1989;

(iii) $36,500,000 shall be available in fiscal year 1990; and

(iv) $38,500,000 shall be available in fiscal year 1991.

(b)(1) The allotment of a State under this section **[**for a fiscal year**]** *for fiscal year 1988* shall be the sum of the amounts allotted to such State under paragraphs (2) and (3).

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[(4) The Secretary shall make allotments to States under paragraph (2) for fiscal year 1987, and shall make payments to States under subsection (c) from such allotments, at the same time that the Secretary makes allotments and payments under sections 1913 and 1914, respectively, for such fiscal year. The Secretary shall make allotments to States under paragraph (3) for fiscal year 1987, and shall make payments to States under subsection (c) from such allotments, within four months after the date of enactment of the Alcohol and Drug Abuse Amendments of 1986.**]**

(4) The Secretary shall make allotments to States under paragraphs (2) and (3) for fiscal year 1988, and shall make payments to States under subsection (c) from such allotments, at the same time that the Secretary makes allotments and payments under sections 1913 and 1914, respectively, for such fiscal year.

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TRANSFER TO THE ADMINISTRATOR OF VETERANS' AFFAIRS

SEC. 1922. [Repealed.]

TREATMENT PROGRAM EVALUATIONS

SEC. 1923. One percent of the total amount appropriated under section 1921(a) for any fiscal year shall be used by the Secretary, acting through the Administrator of the **[**Alcohol, Drug Abuse, and Mental Health Administration**]** *National Institutes of Alcohol, Drug Abuse, and Mental Health,* to develop and evaluate alcohol and drug abuse treatment programs to determine the most effective forms of treatment. Such programs may be developed and evaluated through grants, contracts, and cooperative agreements provided to nonprofit private entities. In carrying out this section, the Secretary shall assess the comparative effectiveness of various treatment forms for specific patient groups.

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